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April 12, 2012

**VIA ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street  
Washington, D.C. 20554

Re: Q LINK WIRELESS LLC  
Amended Petition for Designation as an Eligible Telecommunications Carrier  
WC Docket No. 09-197

Dear Ms. Dortch:

Attached please find Q LINK WIRELESS LLC's Second Amended Petition for Limited Designation as an Eligible Telecommunications Carrier in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia. This Second Amended Petition replaces in its entirety the Company's Amended Petition filed March 30, 2012. Such Amended Petition filed March 30, 2012 had replaced the Company's original Petition filed January 5, 2012.

**Please be advised that Exhibit R, the Company's Projected Lifeline Subscriber Count is CONFIDENTIAL, NOT FOR PUBLIC INSPECTION.**

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me. Thank you for your assistance.

Respectfully submitted,

/s/ LANCE STEINHART

Lance J.M. Steinhart  
Attorney for Q LINK WIRELESS LLC

Attachments

cc: Issa Asad

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**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of )  
)  
Federal-State Joint Board on Universal Service ) WC Docket No. 09-197  
)  
Q LINK WIRELESS LLC )  
)  
Petition for Limited Designation as an Eligible )  
Telecommunications Carrier in the States of )  
Alabama, Connecticut, Delaware, Florida, New )  
Hampshire, New York, North Carolina, )  
Tennessee, the Commonwealth of Virginia, )  
and the District of Columbia )

**SECOND AMENDED PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE  
TELECOMMUNICATIONS CARRIER IN THE STATES OF ALABAMA,  
CONNECTICUT, DELAWARE, FLORIDA, NEW HAMPSHIRE, NEW YORK, NORTH  
CAROLINA, TENNESSEE, THE COMMONWEALTH OF VIRGINIA, AND THE  
DISTRICT OF COLUMBIA**

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April 12, 2012

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## SUMMARY

Q LINK WIRELESS LLC (“Q LINK”) is seeking limited designation as an Eligible Telecommunications Carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”) pursuant to Section 214(e)(6) of the Communications Act, solely for purposes of offering services supported by the Universal Service Fund’s (“USF”) Lifeline program. Q LINK filed its original Petition with the Federal Communications Commission (“Commission”) on January 5, 2012. Q LINK filed an Amended Petition on March 30, 2012, which replaced its original Petition. This Second Amended Petition replaces the Amended Petition filed on March 30, 2012.

Each Non-Jurisdictional State has each provided an affirmative statement that it does not exercise jurisdiction over wireless providers for purposes of ETC designation. Accordingly, pursuant to Section 214(e)(6), the Commission has the necessary authority to designate Q LINK as an ETC in the Non-Jurisdictional States.

Q LINK meets all of the necessary requirements under Section 214(e)(1) for the limited ETC designation requested herein. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Commission granted forbearance from enforcement of this facilities requirement to carriers seeking Lifeline-only ETC designation in its Lifeline and Link Up Reform Order released February 6, 2012.<sup>1</sup> Through its agreement with its underlying carrier, Q LINK has the ability to offer all of the services and functionalities supported by the USF and set forth in Section 54.101(a) of the Commission’s

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<sup>1</sup> *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Lifeline and Link Up Reform Order*”).

rules. Q LINK therefore respectfully requests that the Commission promptly approve the instant request for limited ETC designation to enable Q LINK to rapidly provide Lifeline services to qualifying customers in the Non-Jurisdictional States.

Designating Q LINK as an ETC in the Non-Jurisdictional States will promote the public interest by providing qualifying low-income customers in the Non-Jurisdictional States with lower prices and high-quality wireless services. Many low-income customers in the Non-Jurisdictional States have yet to reap the well-documented benefits of wireless service because of financial constraints, poor credit history, or intermittent employment. Q LINK's prepaid service offerings are ideally suited to provide these customers with reliable and cost-effective wireless services. As an ETC, Q LINK will be able to provide discounted and affordable services to these consumers, who are the intended beneficiaries of USF support. Q LINK's designation will specifically serve the public interest because of the aggressive pricing plans that Q LINK will provide (see Exhibit A).

Accordingly, designating Q LINK as an ETC for Lifeline service is consistent with precedent, will serve the public interest, and should be granted without delay.

**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of )  
)  
Federal-State Joint Board on Universal Service ) WC Docket No. 09-197  
)  
Q LINK WIRELESS LLC )  
)  
Petition for Limited Designation as an Eligible )  
Telecommunications Carrier in the States of )  
Alabama, Connecticut, Delaware, Florida, New )  
Hampshire, New York, North Carolina, )  
Tennessee, the Commonwealth of Virginia, )  
and the District of Columbia )

**SECOND AMENDED PETITION FOR LIMITED DESIGNATION AS AN ELIGIBLE  
TELECOMMUNICATIONS CARRIER IN THE STATES OF ALABAMA,  
CONNECTICUT, DELAWARE, FLORIDA, NEW HAMPSHIRE, NEW YORK, NORTH  
CAROLINA, TENNESSEE, THE COMMONWEALTH OF VIRGINIA, AND THE  
DISTRICT OF COLUMBIA**

**I. INTRODUCTION**

Q LINK WIRELESS LLC (“Q LINK” or “the Company”), pursuant to Section 214(e)(6) of the Communications Act of 1934, as amended (“Act”), and Section 54.201 of the rules of the Federal Communications Commission (“FCC” or “Commission”), hereby submits this Second Amended Petition requesting limited designation as an eligible telecommunications carrier (“ETC”) in the States of Alabama, Connecticut, Delaware, Florida, New Hampshire, New York, North Carolina, Tennessee, the Commonwealth of Virginia, and the District of Columbia (collectively the “Non-Jurisdictional States”), which replaces in its entirety the Amended Petition filed on March 30, 2012, which had replaced in its entirety the original Petition filed on January 5, 2012. Q LINK seeks ETC designation in the Non-Jurisdictional States only for purposes of

participation in the Universal Service Fund’s (“USF”) Lifeline program and does *not* seek to participate in the Link-Up or High-Cost support programs.

Since the Alabama Public Service Commission, the Connecticut Department of Public Utility Control, the Delaware Public Service Commission, the District of Columbia Public Service Commission, the Florida Public Service Commission, the New Hampshire Public Utilities Commission, the New York Public Service Commission, the North Carolina Utilities Commission, the Tennessee Regulatory Authority, and the Virginia State Corporation Commission (collectively, the “State Commissions”) lack jurisdiction to designate Q LINK as an ETC, the Commission, under Section 214(e)(6) of the Act, has the authority to consider and grant this request.<sup>2</sup>

As more fully described below, Q LINK satisfies the requirements for designation as an ETC in the Non-Jurisdictional States, including the new requirements outlined in the FCC’s *USF/ICC Transformation Order*<sup>3</sup> and *Lifeline and Link Up Reform Order*.<sup>4</sup> Q LINK will offer all of the services and functionalities supported by the universal service program throughout its designated service areas in the Non-Jurisdictional States. Grant of Q LINK’s request, therefore, will promote the public interest by providing customers in the Non-Jurisdictional States with lower prices and higher quality wireless services.

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<sup>2</sup> See 47 U.S.C. § 214(e)(6).

<sup>3</sup> *In the Matter of Connect America Fund, A National Broadband Plan for Our Future, Establishing Just and Reasonable Rates for Local Exchange Carriers, High-Cost Universal Service Support, Developing a Unified Intercarrier Compensation Regime, Federal-State Joint Board on Universal Service, Lifeline and Link-Up, Universal Service Reform – Mobility Fund*, WC Docket No. 10-90, GN Docket No. 09-51, WC Docket No. 07-135, WC Docket No. 05-337, CC Docket No. 96-45, WC Docket No. 03-109, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, FCC 11-161 (rel. Nov. 18, 2011) (“*USF/ICC Transformation Order*”).

<sup>4</sup> See *supra* note 1.

## II. BACKGROUND

### A. Company Overview

Q LINK is a Delaware Limited Liability Company with principal offices located at 499 East Sheridan Street, Suite 300, Dania Beach, Florida 33004.<sup>5</sup> Q LINK's holding company is QUADRANT HOLDINGS GROUP LLC; the Company has no operating companies or affiliates. QUADRANT HOLDINGS GROUP LLC is also a Delaware Limited Liability Company with principal offices located at 499 East Sheridan Street, Suite 300, Dania Beach, Florida 33004. Q LINK will provide prepaid wireless telecommunications services to consumers by using the Sprint Spectrum L.P. ("Sprint") network to offer nationwide service. Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to Q LINK. Pursuant to an existing agreement, Q LINK will obtain from Sprint the network infrastructure and wireless transmission facilities to allow Q LINK to operate much like TracFone Wireless, Inc. ("TracFone") and Virgin Mobile USA, L.P. ("Virgin Mobile"), both of whom have been granted ETC status by the Commission.<sup>6</sup> Q LINK will purchase wireless services from Sprint on a wholesale basis for calling and text messaging, package those services into Q LINK's own service plans and pricing, and bundle the wireless service with Q LINK's handset selection, mobile applications, marketing materials, web interface, and customer service to produce finished wireless service offerings to sell to end-user customers.

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<sup>5</sup> Q Link was organized in the State of Delaware on August 25, 2011.

<sup>6</sup> *Petition of TracFone Wireless, Inc. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005); *Petition of Virgin Mobile USA, L.P. for Forbearance from 47 U.C.S. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 24 FCC Rcd 3381 (2009) (collectively, the "Forbearance Orders" or, individually, the "TracFone Forbearance Order," or "Virgin Mobile Forbearance Order," as applicable). The Commission had previously granted TracFone forbearance from the facilities requirement for ETC designation, permitting TracFone to offer the supported services via resale only. *Petition of TracFone Wireless, Inc. for Forbearance from 47 U.S.C. § 214(e)(1)(A) and 47 C.F.R. § 54.201(i)*, CC Docket No. 96-45, Order, 20 FCC Rcd 15095 (2005) ("TracFone Forbearance Order"). The *Virgin Mobile Order* contained both the forbearance analysis and ETC designation.

Q LINK's prepaid wireless services are affordable, easy to use, and attractive to low-income and lower-volume consumers. These services provide consumers with access to emergency services and a reliable means of communication that can be used both at home and while traveling to remain in touch with friends and family and for contacting prospective employers. By providing affordable wireless plans and quality customer service to consumers who are otherwise unable to afford them, or were previously ignored by traditional carriers, Q LINK will expand the availability of wireless services to many more consumers, which is one of the principal objectives of the universal service program established by Congress and codified in Section 254 of the Act, 47 U.S.C. § 254.

Q LINK will offer consumers a variety of simple and affordable prepaid calling plans, easy-to-use handsets, and high-quality customer service. Given its pricing and marketing strategy and the demographics of other, similar Mobile Virtual Network Operators' ("MVNO") customers, Q LINK anticipates that many of its customers will be from low-income backgrounds and will not have previously enjoyed access to wireless service because of economic constraints, poor credit history, or sporadic employment. Q LINK does not conduct credit checks or require customers to enter into long-term service contracts as a prerequisite to obtaining wireless service. Q LINK allows customers to choose a prepaid plan that best suits their needs.

## **B. Lifeline Program**

Universal service has been a fundamental component of U.S. telecommunications policy since adoption of the Communications Act over 70 years ago. Section 254 embodies the Commission's commitment to the concept of universal service, particularly for low-income consumers. Section 254(b) sets forth the principles upon which the Commission shall base its policies for the promotion and advancement of universal service. These principles require the Commission to ensure that all consumers, including and especially low-income consumers, have

access to telecommunications services at affordable and reasonably comparable rates.<sup>7</sup> The Low-Income program was designed to assist low-income individuals obtain quality telecommunications services.<sup>8</sup> Lifeline support helps defray the monthly costs of telecommunications services for low-income consumers by providing them with discounts off the monthly cost of telephone service, with additional discounts available for individuals living on tribal lands.<sup>9</sup>

While generally praising the Low-Income program's success, the Commission has noted that "there is more that we can do to make telephone service affordable for more low-income households," and has specifically targeted telephone subscription among low income consumers as one area for improvement.<sup>10</sup> To increase awareness of the program, the Commission has expanded the qualifying criteria and adopted broader outreach guidelines, requiring carriers to better advertise the availability of Lifeline services. Through these actions, the Commission has sought to increase Lifeline participation because "when consumers are able to only intermittently remain on the network, they are not fully connected to society and the economy...the Commission has found that the low-income program 'provide[s] the best source of assistance for individuals to obtain and retain universal service, and, therefore, help maintain and improve telephone subscribership' and fulfill our obligations under Section 254 of the Act."<sup>11</sup>

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<sup>7</sup> See 47 U.S.C. § 254. Section 254(b)(3) of the Act requires the Commission to determine whether "consumers in all regions of the Nation, *including low-income consumers* and those in rural, insular, and high cost areas...have access to telecommunications [services] ...". 47 U.S.C. § 254(b)(3) (emphasis added).

<sup>8</sup> 47 C.F.R. §§ 54.401 and 54.411.

<sup>9</sup> 47 C.F.R. §§ 54.400 and 54.401.

<sup>10</sup> See *Lifeline and Link Up Reform Order* at ¶¶ 27-30; See also *Lifeline and Link-Up*, WC Docket No. 03-109, Report and Order and Further Notice of Proposed Rulemaking, 19 FCC Rcd 8302, 8305 ¶ 1 (2004) ("Lifeline Order").

<sup>11</sup> See *Lifeline and Link Up Reform Order* at ¶ 16.

### C. Proposed Lifeline Offering

Q LINK intends to be a leader in the prepaid wireless marketplace by offering consumers exceptional value and competitive amounts of voice usage at all price points. Attached hereto as Exhibit A is a table of Q LINK's rate plans, showing that Q LINK will provide customers with a minimum of 68 free minutes and a free handset in its Lifeline service offering.<sup>12</sup> Q LINK's Lifeline rate plans will provide customers with the same features and functionalities enjoyed by all other Q LINK prepaid customers, with one notable exception: prepaid Lifeline services will be free of charge. As Exhibit A demonstrates, Q LINK will provide customers the choice of one of the following three (3) Lifeline Plans:

- a. Plan 1: 68 Monthly Minutes. Under Plan 1, eligible customers enjoy 68 anytime minutes that rollover and free international long distance.<sup>13</sup> Text messaging is at the rate of one-third of one minute (3 texts = 1 minute).
- b. Plan 2: 125 Monthly Minutes. Under Plan 2, eligible customers enjoy 125 anytime minutes that rollover. Text messaging is at the rate of one minute (1 text = 1 minute).
- c. Plan 3: 250 Monthly Minutes. Under Plan 3, eligible customers enjoy 250 anytime minutes. Minutes do not rollover. Text messaging is at the rate of one minute (1 text = 1 minute).

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<sup>12</sup> Q LINK expects that the Company's Lifeline service offering may change as the wireless market evolves. As such, the Company requests that the Commission's grant of ETC designation provide it with the requisite authority to modify the parameters of the offerings as marketplace conditions develop.

<sup>13</sup> Under Plan 1, there is no additional charge for international long distance to countries designated at [www.qlinkwireless.com](http://www.qlinkwireless.com).

Customers have the capability of purchasing additional bundles of minutes in denominations as low as \$9.99, \$19.99, \$29.99, and \$59.99.<sup>14</sup> Airtime replenishment cards will be made available at retail outlets frequented by low-income customers throughout the Company's Service Area. In addition to free voice services, all of Q LINK's Lifeline plans will include a free handset and the following Custom Calling features: Caller ID, Call Waiting, and Voicemail. Customers may use their minutes to place domestic long distance calls at no additional charge. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes, and calls to Q LINK customer service are also free.

Customers can change their plan on their monthly plan date, without penalty, should they determine that another plan better meets their needs or should their needs change. As mentioned before, Q LINK does not impose burdensome credit checks, long-term service contracts, or roaming charges. Q LINK's Lifeline offerings will not only allow feature-rich mobile connectivity for qualifying subscribers *at no cost to the subscriber*, but will also bring more variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers, just with low Lifeline rates. Q LINK's prepaid offerings will be an attractive alternative for consumers who need the mobility, security, and convenience of a wireless phone, but who are concerned about usage charges or long-term contracts.

### **III. THE COMMISSION HAS AUTHORITY TO PERFORM THE ETC DESIGNATION**

Pursuant to Section 214(e)(6), the Commission may designate as an ETC "a common carrier providing telephone exchange service and exchange access that is not subject to the

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<sup>14</sup> \$9.99 = 50 minutes, \$19.99 = 120 minutes, \$29.99 = 200 minutes, and \$59.99 = 450 minutes.

jurisdiction of a state commission.”<sup>15</sup> The Commission has established that a carrier must demonstrate that it “is not subject to the jurisdiction of a state commission” before it may consider an application for ETC designation.<sup>16</sup> The Commission also has stated that any carrier seeking ETC designation from it must provide the Commission with an “affirmative statement” from the state PUC that it lacks jurisdiction to perform the ETC designation.”<sup>17</sup>

None of the states for which Q LINK requests ETC designation from the FCC has the jurisdiction to designate the Company as an ETC:

a) The Alabama Public Service Commission has concluded that it “has no jurisdiction to take action” on ETC petitions, and that “wireless providers seeking ETC status should pursue their ETC designation request with the FCC.” A copy of the Alabama Public Service Commission’s order is attached as Exhibit B.

b) The Connecticut Department of Public Utility Control has provided a letter clarifying that it lacks jurisdiction to entertain the Company’s ETC petition. The letter is attached as Exhibit C.

c) The Delaware Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company’s ETC petition. The letter is attached as Exhibit D.

d) The District of Columbia Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company’s ETC petition. The letter is attached as Exhibit E.

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<sup>15</sup> See 47 U.S.C. § 214(e)(6).

<sup>16</sup> See *Procedures for FCC Designation of Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, CC Docket No. 96-45, Public Notice, 12 FCC Rcd 22947, 22948 (1997).

<sup>17</sup> See *Federal-State Joint Board on Universal Service; Promoting Deployment and Subscriberhip in Unserved and Underserved Areas, Including Tribal and Insular Areas*, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking, 15 FCC Rcd 12208, 12264 ¶ 113 (2000).

e) The Florida Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company's ETC petition. The letter is attached as Exhibit F.

f) The New Hampshire Public Utilities Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company's ETC petition. The letter is attached as Exhibit G.

g) The New York Public Service Commission has provided a letter clarifying that it lacks jurisdiction to entertain the Company's ETC petition. The letter is attached as Exhibit H.

h) The North Carolina Utilities Commission has concluded that "the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC." A copy of the North Carolina Utilities Commission's Order is attached as Exhibit I.

i) The Tennessee Regulatory Authority has concluded that its statutory "lack of jurisdiction over CMRS providers" precludes it from processing ETC petitions. A copy of the Tennessee Regulatory Authority's order is attached as Exhibit J.

j) The Virginia Corporation Commission has concluded that "§ 214(e)6 of the Act is applicable" to wireless ETC petitions "because [the Virginia Commission] has not asserted jurisdiction over CMRS carriers," and that wireless ETC applicants "should apply to the Federal Communications Commission." A copy of the Virginia Commission's Order is attached as Exhibit K.

Accordingly, for each of the Non-Jurisdiction States, Q LINK is "a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of

a State commission.”<sup>18</sup> As such, the Commission is authorized to designate Q LINK as an Eligible Telecommunications Carrier.

#### **IV. Q LINK REQUESTS ETC DESIGNATION IN ITS SERVICE AREAS IN THE NON-JURISDICTIONAL STATES FOR PARTICIPATION IN THE LIFELINE PROGRAM**

##### **A. Q LINK Requests ETC Designation in its Existing Service Area**

Consistent with prior orders granting other MVNOs ETC status,<sup>19</sup> Q LINK requests ETC designation for its entire service area in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, North Carolina, New York, Tennessee and Virginia (i.e. the area served by the facilities-based carriers from whom it obtains wholesale service), but excluding any Tribal Areas.<sup>20</sup> Q LINK understands that its service area may overlap with several rural carriers’ service areas but maintains that the public interest factors described below justify its designation in these service areas, especially since it only seeks ETC designation for purposes of participation in the Lifeline program.

##### **B. Q LINK’s Limited ETC Designation Request Only Seeks Authority to Participate in the Lifeline Program**

Consistent with the scope of forbearance granted by the Commission, Q LINK requests ETC designation in the Non-Jurisdictional States for the sole purpose of participating in the Lifeline program. Q LINK does not seek eligibility to receive support from the Link-Up or High Cost support programs. As demonstrated herein, the instant request to participate in the Lifeline program is consistent with the Commission’s requirements for ETC designation, and would promote the goals of universal service by offering the many benefits of supported services to

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<sup>18</sup> 47 U.S.C. § 214(e)(6).

<sup>19</sup> See *TracFone ETC Order* and *Virgin Mobile Order*, *supra* note 5.

<sup>20</sup> See Exhibit L for chart reflecting the service areas of the non-rural and rural telephone companies that Q LINK’s authorized service area covers.

low-income customers in the Non-Jurisdictional States. As discussed above, Q LINK's Lifeline offerings will include many features specifically designed for qualifying low-income customers, who currently lack appealing and affordable options for wireless services, many of whom are therefore unable to subscribe to wireless services.

**C. The Limited Designation Request is Consistent with Recent Precedent**

Q LINK's request for designation to participate in the Lifeline program is consistent with the Commission's decisions conditionally designating TracFone Wireless and Virgin Mobile as ETCs in several states.<sup>21</sup> In its decisions, the Commission determined that the requests of TracFone and Virgin Mobile satisfied all of the necessary eligibility requirements and that designation would serve the public interest.<sup>22</sup> The Commission specifically noted in the *TracFone* and *Virgin Mobile Orders* that designation of prepaid wireless providers as ETCs will provide a variety of benefits to low-income consumers, including increased consumer choice, high-quality service offerings and mobile access to emergency services on wireless devices.<sup>23</sup>

Q LINK requests that the Commission expeditiously process its pending ETC applications so that it can quickly join TracFone and Virgin Mobile in providing qualifying low-income customers with affordable USF-supported Lifeline wireless services. Designation of prepaid wireless providers such as TracFone, Virgin Mobile, and Q LINK as ETCs is a significant step towards ensuring that all customers, particularly low-income customers, share in the many benefits associated with access to affordable wireless telecommunications services. During an economic downturn, many existing wireless customers have to forego wireless

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<sup>21</sup> See *supra* note 6.

<sup>22</sup> See *TracFone ETC Order*, 23 FCC Rcd at 6212-13 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38.

<sup>23</sup> See *Id.*

services because they can no longer afford them. Designation of ETC status to prepaid wireless carriers like TracFone, Virgin Mobile, and Q LINK would help to close the widening gap for wireless services and provide low-income customers with the significant advantages associated with access to wireless services. The Commission has found that voice service has “become crucial to full participation in our society and economy, which are increasingly dependent upon the rapid exchange of information.”<sup>24</sup> As noted in a study sponsored by the Massachusetts Institute of Technology’s Legatum Center for Development and Entrepreneurship and New Millennium Research Council, low-income customers receive significant economic and social benefits from wireless services, including enhanced productivity, increased economic opportunity, and broader access to emergency and safety services.<sup>25</sup>

#### **V. Q LINK SATISFIES THE REQUIREMENTS FOR DESIGNATION AS AN ETC**

Section 214(e)(1) of the Act and Section 54.201(d) of the Commission’s rules provide that applicants for ETC designation must be common carriers that will offer all of the services supported by universal service, either using their own facilities or a combination of their own facilities and the resale of another carrier’s services, except where the Commission has forbore from the “own facilities” requirement. Applicants also must commit to advertise the availability and rates of such services.<sup>26</sup> As detailed below, Q LINK satisfies each of the requirements.

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<sup>24</sup> See *Lifeline and Link Up Reform Order* at ¶ 12.

<sup>25</sup> Nicholas P. Sullivan, New Millennium Research, *Cell Phones Provide Significant Economic Gains for Low-Income American Households: A Review of Literature and Data from Two New Surveys*, (April 2008), available at [http://newmillenniumresearch.org/archive/Sullivan\\_Report\\_032608.pdf](http://newmillenniumresearch.org/archive/Sullivan_Report_032608.pdf).

<sup>26</sup> See 47 U.S.C. § 214(e)(1) and 47 C.F.R. § 54.201(d)(2).

**A. Q LINK is a Common Carrier**

CMRS providers like Q LINK are common carriers.<sup>27</sup>

**B. Q LINK Will Provide the Supported Services Consistent With the Commission’s Grant of Forbearance from Section 214’s Facilities Requirements**

Although Section 214 requires ETCs to provide services using their facilities, at least in part, the Commission has forbore from that requirement with respect to carriers such as Q LINK. In the *Lifeline and Link Up Reform Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>28</sup>

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan providing specific information regarding the carrier’s service offerings and outlining the measures the carrier will take to implement the obligations contained in this Order as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary.”

Q LINK will avail itself of the FCC’s grant of forbearance. However, although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the “own facilities” requirement of section 214(e)(1)(A), the Company reserves the right to demonstrate

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<sup>27</sup> *Implementation of Sections 3(n) and 332 of the Communications Act, Regulatory Treatment of Mobile Services*, GN Docket No. 93-252, Second Report and Order, 9 FCC Rcd 1411, 1425 ¶ 37, 1454-55 ¶ 102 (1994) (wireless resellers are included in the statutory “mobile services” category, and providers of cellular service are common carriers and CMRS providers); 47 U.S.C. § 332(c)(1)(A) (“mobile services” providers are common carriers); *see also PCIA Petition for Forbearance for Broadband PCS*, WT Docket No. 98-100, Memorandum Opinion and Order and Notice of Proposed Rulemaking, 13 FCC Rcd 16857, 16911 ¶ 111 (1998) (“We concluded [in the *Second Report and Order*] that CMRS also includes the following common carrier services: cellular service, ... all mobile telephone services and resellers of such services.”) (emphasis added).

<sup>28</sup> *See Lifeline and Link Up Reform Order* at ¶¶ 368, 373 and 379.

to a state public utilities commission that it provides service using its own facilities in a state, particularly for purposes of state universal funding under state program rules and requirement. In accordance with the *Lifeline and Link Up Reform Order*, Q LINK filed its Second Amended Compliance Plan on April 12, 2012, which replaced in its entirety the Company's original Compliance Plan filed February 10, 2012 and its Amended Compliance Plan filed March 16, 2012. The Company's Second Amended Compliance Plan is attached hereto as Exhibit M. Q LINK commits to providing Lifeline service in the Non-Jurisdictional States in accordance with its Compliance Plan.

**C. Q LINK Offers All of the Required Services and Functionalities**

Q LINK is able to provide all of the services and functionalities supported by the universal service program under Section 54.101 of the Commission's rules in the Non-Jurisdictional States. Q LINK will make these services and functionalities available to qualifying consumers with service addresses in Alabama, Connecticut, Delaware, District of Columbia, Florida, New Hampshire, North Carolina, New York, Tennessee and Virginia.

**1. Voice Grade Access to the Public Switched Telephone Network**

Q LINK provides voice grade access to the public switched telephone network ("PSTN") through the purchase of wholesale CMRS services from Sprint.

**2. Local Usage**

As part of the voice grade access to the PSTN, an ETC must provide minutes of use for local service at no additional charge to end-users. The FCC has not specified a minimum amount of local usage that an ETC must offer, determining that it would unduly favor one

technology over another.<sup>29</sup> Q LINK offers a variety of rate plans that provide its customers with minutes of use for local service at no additional charge.

### **3. Access to Emergency Services**

Q LINK provides nationwide access to 911 and E911 emergency services for all of its customers to the extent the local government in its service area has implemented 911 or E911 systems. In accordance with its forbearance, Q LINK will provide access to 911 and E911 services regardless of activation status and availability of minutes, and will provide only E911-compliant handsets to its Lifeline customers.

### **4. Toll Limitation for Qualifying Low-Income Consumers**

In its *Lifeline and Link Up Reform Order*, the FCC stated that toll limitation would no longer be deemed a supported service.<sup>30</sup> “ETCs are not required to offer toll limitation service to low-income consumers if the Lifeline offering provides a set amount of minutes that do not distinguish between toll and non-toll calls.”<sup>31</sup> Nonetheless, Q LINK’s offerings inherently allow Lifeline subscribers to control their usage, as its wireless service is offered on a prepaid, or pay-as-you-go, basis. Q LINK’s service, moreover, is not offered on a distance-sensitive basis and local and domestic long distance minutes are treated the same. Q LINK will not seek reimbursement for toll limitation service.

### **D. Advertising of Supported Services**

Q LINK will broadly advertise the availability and rates for the services described above using media of general distribution as required by Section 54.201(d)(2) of the Commission’s

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<sup>29</sup> See e.g., *In the Matter of Federal-State Joint Board on Universal Service*, Recommended Decision 15 FCC Rcd 7331 (2002).

<sup>30</sup> See *Lifeline and Link Up Reform Order* at ¶ 367.

<sup>31</sup> See *Lifeline and Link Up Reform Order* at ¶ 49.

regulations,<sup>32</sup> and in accordance with the requirements set forth in the *Lifeline and Link Up Reform Order*.<sup>33</sup> The Company will advertise its services in a manner reasonably designed to reach those likely to qualify for Lifeline services, using media of general distribution that may include advertisements via television, newspapers, radio, and the internet. These advertising campaigns will be specifically targeted to reach low-income consumers and promote the availability of cost-effective wireless services to this neglected consumer segment.

In addition, Q LINK will utilize its network of retail partners to help promote the availability of its Lifeline plans, especially those retail outlets that are frequented by low-income consumers. Q LINK will provide retail vendors with signage to be displayed where Q LINK products are sold, and with printed materials describing Q LINK's Lifeline program. Q LINK also intends to distribute brochures at various state and local social service agencies, and intends to partner with nonprofit assistance organizations in order to inform customers of the availability of its Lifeline services. Q LINK expects to be able to inform consumers of the availability of Lifeline service in a manner that will result in significantly higher participation in the Lifeline program by qualified consumers than has been the case in the past. Q LINK believes that its advertising and outreach efforts will result in increased participation in the Lifeline program.

**E. Service Commitment Throughout the Proposed Designated Service Area**

Q LINK will provide service in the Non-Jurisdictional States by reselling service which it obtains from its underlying facilities-based provider. The provider's network is operational and largely built out. Thus, Q LINK will be able to commence offering its Lifeline service to all locations served by its underlying carrier very soon after receiving approval from the

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<sup>32</sup> See 47 C.F.R. § 54.201.

<sup>33</sup> See *Lifeline and Link Up Reform Order* at Section VII.F.

Commission. Q LINK commits to comply with the service requirements applicable to the support that it receives.<sup>34</sup>

**F. Five-Year Network Improvement Plan**

As set forth in the *Lifeline and Link Up Reform Order*, a common carrier seeking designation as a Lifeline-only ETC is not required to submit a five-year network improvement plan as part of its application for designation as an ETC.<sup>35</sup>

**G. Ability to Remain Functional in Emergency Situations**

In accordance with 47 C.F.R. §54.202(a)(2), Q LINK has the ability to remain functional in emergency situations. As described herein, Q LINK purchases wireless network services on a wholesale basis from Sprint, a large, national carrier that is itself subject to various regulatory requirements to remain functional in emergencies. Through Sprint, Q LINK provides to its customers the same ability to remain functional in emergency situations as currently provided by Sprint to its own customers, including access to a reasonable amount of back-up power to ensure functionality without an external power source, the ability to reroute traffic around damaged facilities, and the capability of managing traffic spikes resulting from emergency situations. Furthermore, the Company is subject to its own 911 requirements in 47 C.F.R. 20.18(m), and has committed to specific 911 and E911-related requirements – including with respect to E911 handsets – in its Compliance Plan.

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<sup>34</sup> See *Lifeline and Link Up Reform Order* at page 208, revised § 54.202(a)(1)(i).

<sup>35</sup> See *Lifeline and Link Up Reform Order* at ¶ 386.

## **H. Commitment to Consumer Protection and Service Quality**

Under FCC guidelines, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.<sup>36</sup> The Company commits to satisfying all such applicable state and federal requirements related to consumer protection and service quality standards. Q LINK commits to comply with the Cellular Telecommunications and Internet Association's (CTIA) Consumer Code for Wireless Service.

### **I. Q LINK is Financially and Technically Capable**

Q LINK is financially and technically capable of providing Lifeline-supported services.<sup>37</sup> Q LINK will provide service to both Lifeline and non-Lifeline customers. Q LINK has not been subject to enforcement action or ETC revocation proceedings in any state. Q LINK is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate.<sup>38</sup> Furthermore, the senior management of Q LINK has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.<sup>39</sup> Q LINK will be providing resold wireless service, and therefore will also rely upon the managerial and technical expertise of its underlying carrier.

## **VI. Q LINK WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE LIFELINE AND LINK-UP REFORM ORDER**

### **A. Consumer Eligibility and Enrollment**

Q LINK will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, Q

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<sup>36</sup> See 47 C.F.R. § 54.202(a)(3).

<sup>37</sup> See *Lifeline and Link Up Reform Order* at ¶ 387.

<sup>38</sup> See Exhibit M for the Company's financial information.

<sup>39</sup> See Exhibit N for key management resumes.

LINK will rely on the state identification or database.<sup>40</sup> In instances where Q LINK is responsible for the initial determination and annual recertification of consumer eligibility, the Company will follow the procedures set forth below.

### **1. One-Per-Household**

Q LINK understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”<sup>41</sup> Upon receiving an application for Lifeline support, Q LINK will check the duplicates database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Q LINK will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address.

If Q LINK determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Q LINK will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Q LINK will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant’s household and share in the household’s expenses or benefit from the applicant’s

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<sup>40</sup> See Order at ¶ 98.

<sup>41</sup> See Order at ¶ 74.

income; and (4) the penalty for a consumer's failure to make the required one-per-household certification (i.e., de-enrollment).<sup>42</sup> Q LINK will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and will advise the applicant of the basis for the denial.

On its certification forms, a sample of which is attached as Exhibit A,<sup>43</sup> Q LINK will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and, if different, a billing address for the service (which may include a P.O. Box or General Delivery address).<sup>44</sup> Q LINK will inquire on its certification forms whether or not the address provided is temporary.<sup>45</sup> If so, Q LINK will notify the consumer that the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Q LINK's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, Q LINK will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.<sup>46</sup> If the subscriber has moved, Q LINK will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.<sup>47</sup>

As detailed below, Q LINK's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

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<sup>42</sup> See Order at ¶ 78.

<sup>43</sup> See Exhibit A. The sample certification form remains subject to change, but substantially reflects the content of the Company's application.

<sup>44</sup> See Order at ¶ 85.

<sup>45</sup> See Order at ¶ 89.

<sup>46</sup> See Order at ¶ 85.

<sup>47</sup> See *id.*

## 2. Initial and Annual Certification

Consumers will be signed up in person or directed, via company literature or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-specific eligibility criteria. Q LINK's application form will identify that it is a "Lifeline" application. Q LINK will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interacts with actual or prospective customers with respect to obtaining, changing, or terminating Lifeline services.

Q LINK's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. Q LINK's Lifeline certification forms will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal government benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and

(vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Q LINK will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Q LINK will verbally explain the certifications to consumers when they are enrolling in person or over the phone. With respect to those enrolling via the Internet, Q LINK will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving

on to the next field.<sup>48</sup> Consumers who do not complete the application process in person must return the signed application and support documentation to the Company by mail, fax, email, or other electronic transmission. The Company will accept electronic signatures, including Interactive Voice Response (IVR) recordings, which meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.<sup>49</sup>

Q LINK will determine eligibility, at a minimum, utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a), (b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, Q LINK will check the eligibility of applicants first by accessing state or federal social services electronic eligibility databases, where available.<sup>50</sup> If a database is used to establish eligibility, Q LINK will not require documentation of the applicant's participation in a qualifying federal program; instead, Q LINK or its representative will note in its records what specific data was relied upon to confirm the applicant's initial eligibility for Lifeline.<sup>51</sup> However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Q LINK to check electronic databases for eligibility, Q LINK will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.<sup>52</sup> Q LINK will require acceptable documentation both for income eligibility and program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the applicant demonstrated his or her

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<sup>48</sup> See Order at ¶ 123.

<sup>49</sup> See Order at ¶ 168.

<sup>50</sup> See Order at ¶ 97.

<sup>51</sup> See Order at ¶ 98.

<sup>52</sup> See Order at ¶ 99.

eligibility.<sup>53</sup> Q LINK understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Q LINK remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.<sup>54</sup>

### **3. Annual Re-Certification**

Q LINK understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.<sup>55</sup> By December 31, 2012, Q LINK will re-certify the continued eligibility of all of its subscribers by contacting them – either in person, in writing, by phone, by text message, by email, or otherwise through the Internet – to confirm their continued eligibility.<sup>56</sup> The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact Q LINK. Q LINK will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Q LINK understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.<sup>57</sup>

Alternatively, where a database containing consumer eligibility data is available, Q LINK (or state agency or third-party, where applicable) will instead query the database by the end of

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<sup>53</sup> See Order at ¶ 101.

<sup>54</sup> See Order at ¶ 110.

<sup>55</sup> See Order at ¶ 130.

<sup>56</sup> See *id.*

<sup>57</sup> See Order at ¶ 132.

2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Q LINK will contact the subscriber during the annual certification process to obtain a valid address.<sup>58</sup> After 2012, Q LINK will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.<sup>59</sup>

Q LINK will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Q LINK's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

- (1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state; and
- (2) that the Company is in compliance with all federal Lifeline certification procedures.<sup>60</sup>

In addition, Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each customer for whom the Company seeks Lifeline reimbursement.<sup>61</sup>

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<sup>58</sup> See Order at ¶ 131.

<sup>59</sup> See Order at ¶ 133.

<sup>60</sup> See Order at ¶ 126-27.

<sup>61</sup> See Order at ¶ 128.

## **B. Other Reforms to Eliminate Waste, Fraud and Abuse**

Q LINK shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally. In an effort to prevent waste, fraud, and abuse, Q LINK has implemented procedures to identify and prevent fraud. The goals are to ensure integrity both in Q LINK, but also in the Lifeline program as a whole.

Q LINK has contracted with CGM, LLC of Roswell, Georgia, a Lifeline service bureau, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Q LINK ensures that it does not over-request from support funds.

For each applicant, Q LINK first validates the applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Q LINK requires the applicant provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, Q LINK verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Q LINK checks any available eligibility database. If one is not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. This prevents ineligible applicants from

receiving the Lifeline subsidy.

The address of the applicant is then verified via a USPS/Melissa Database to ensure the address is correct. Simultaneously, the name/address combination is dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Q LINK or any other CGM client. This is done through an API connection between Q LINK's provisioning platform and GCM. This allows the Company to ensure the applicant is not receiving a duplicate subsidy, as well as identify those who share an address with current Q LINK customers. This then prompts the representative to detail the one-per-household rule with the applicant, allowing the applicant to then certify they are head of household. Should Q LINK confirm that a household is receiving more than one subsidy, whether by information obtained from an applicant, USAC's IDR process, or a national database, the customer will be immediately de-enrolled from the Lifeline program.

If and when Q LINK determines that an applicant is indeed eligible for the Lifeline program, the Company will ship a new or refurbished handset, dependent only upon availability, to the qualifying Lifeline customer along with materials explaining the use of the handset, Q LINK's terms and conditions, and disclosures regarding the Lifeline program. Handsets will not be shipped pre-activated. Qualifying Lifeline customers, upon receipt of the handset, must personally activate the handset by contacting Q LINK Customer Service either over the phone or via Internet.

#### **1. National Lifeline Accountability Database**

Q LINK will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, Q LINK will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service

initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.<sup>62</sup> Q LINK will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.<sup>63</sup>

Furthermore, Q LINK will obtain acknowledgement and consent from each of its subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be disclosed to USAC and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.<sup>64</sup>

Within 30 days following Commission notice that the database is capable of accepting queries, Q LINK will query the database to check if a prospective subscriber is already receiving service from another ETC prior to seeking reimbursement from the Fund.<sup>65</sup>

## **2. Subscriber Usage**

Q LINK will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Q LINK will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.<sup>66</sup> Q LINK will notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.<sup>67</sup> An account will be considered active if during any 60-day period the

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<sup>62</sup> See Order at ¶ 189.

<sup>63</sup> See Order at ¶ 190.

<sup>64</sup> See Order, Appendix C.

<sup>65</sup> See Order at ¶ 203.

<sup>66</sup> See Order at ¶ 257.

<sup>67</sup> See *id.*

authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.<sup>68</sup> Q LINK utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for customers that are inactive under the Company's non-usage policy.<sup>69</sup> After notification, if the customer fails to use their service, the customer is automatically de-enrolled pursuant to the procedures outlined in section E below. Q LINK will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.<sup>70</sup>

### **3. Marketing & Outreach**

Q LINK will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Q LINK will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:<sup>71</sup> (1) that only eligible consumers may enroll in the program; (2) that the program is limited to one benefit per

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<sup>68</sup> See *Order* at ¶ 261.

<sup>69</sup> CGM, LLC is currently the Company's third party contractor.

<sup>70</sup> See *Order* at ¶ 262. 911 transmissions will actually be performed by the Company's underlying facilities-based CMRS provider.

<sup>71</sup> See Exhibit B for sample marketing materials. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See *Order* at ¶ 275.

household, consisting of either wireline or wireless service; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; and (4) that Lifeline is a government benefit program. Q LINK will prepare printed material that will explain the documentation necessary for enrollment, and the details of the Company's plans, and will provide such information on its website. Such material and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.<sup>72</sup> For broadcast advertisements and outdoor signage, such as billboards, and any other situation in which inclusion of documentation information and warnings against willful false statements are impractical, Q LINK, will provide the URL link for the information disclosure page on its website. Additionally, Q LINK will disclose the company name under which it does business.<sup>73</sup> In order to reinforce the limitation of one Lifeline phone per household, the following statement, or words to the same effect, will appear in the Company's marketing materials and website ([www.qlinkwireless.com](http://www.qlinkwireless.com)) in a conspicuous place, in bold font and in an offsetting color to ensure it is not overlooked:

**Lifeline support is limited to one per household on wireline or wireless service.**

#### **4. Audits**

If Q LINK draws \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to

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<sup>72</sup> See Order at ¶ 275.

<sup>73</sup> See *id.*

assess Q LINK's overall compliance with the program's requirements.<sup>74</sup> Q LINK will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.<sup>75</sup>

### **C. De-Enrollment**

Q LINK will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).<sup>76</sup>

If a customer does not respond to the Company's annual verification survey within 30 days, or if Q LINK has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Q LINK will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.<sup>77</sup> Similarly, Q LINK will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.<sup>78</sup>

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<sup>74</sup> See Order at ¶ 291.

<sup>75</sup> See Order at ¶ 294.

<sup>76</sup> See Order at ¶ 122.

<sup>77</sup> See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

<sup>78</sup> See Order at ¶ 89.

Duplicative Support. Subject to USAC’s Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,<sup>79</sup> Q LINK will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber’s household is receiving Lifeline service.

Non-Usage. Q LINK will monitor all customers to ensure that they in fact have usage on their account within a 60-day period. Q LINK will de-enroll any subscriber that has not used the Company’s Lifeline service for 60 consecutive days, as discussed in section IV.B above. Q LINK will send the subscriber a 30-day termination letter, using clear, easily understood language, notifying the subscriber that failure to use the Lifeline service within the 30-day cure period will result in service termination for non-usage. The subscriber will be able to confirm that they want to continue receiving their Lifeline service. Q LINK will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.<sup>80</sup> Q LINK will not seek reimbursement from the USF during the 30-day cure period unless the subscriber confirms they want to continue service.<sup>81</sup>

## **D. Additional Rule Amendments**

### **1. Terms and Conditions of Service**

Q LINK has attached as Exhibit Q its Lifeline terms and conditions of service. These terms and conditions are subject to change as needed, and the most current version may be found at on the Company’s website ([www.qlinkwireless.com](http://www.qlinkwireless.com)). The terms and conditions of Q LINK’s retail plans, as generally available to the public and to which a Lifeline customer can apply their

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<sup>79</sup> See Order at ¶ 214-16.

<sup>80</sup> See Order at ¶ 257.

<sup>81</sup> See Lifeline and Link Up Reform Order at ¶ 257.

Lifeline discount (where applicable in particular states), can also be found on the Company's website.

## **2. Reporting Requirements**

Q LINK will report all information required by section 54.422, as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.<sup>82</sup>

## **3. Reimbursement from USAC**

In seeking reimbursement for Lifeline, Q LINK will comply with the requirements of C.F.R. § 54.407, as revised by the *Lifeline and Link Up Reform Order*.<sup>83</sup> Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company seeks Lifeline reimbursement,<sup>84</sup> and the Company will seek reimbursement for actual lines served, not projected lines.<sup>85</sup>

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<sup>82</sup> See *Order* at ¶¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

<sup>83</sup> See *id* page 221.

<sup>84</sup> See *id* at ¶¶ 128.

<sup>85</sup> See *id* at ¶¶ 302.

## VII. DESIGNATION OF Q LINK AS AN ETC WOULD PROMOTE THE PUBLIC INTEREST

One of the principal goals of the Act, as amended by the Telecommunications Act of 1996, is “to secure lower prices and higher quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies” to all citizens, regardless of geographic location or income.<sup>86</sup> There is no question that limited designation of Q LINK as an ETC in the Non-Jurisdictional States will promote the public interest by providing low-income consumers in the Non-Jurisdictional States with more affordable and higher quality wireless services. Many low-income consumers have yet to reap the full benefits of the wireless marketplace. Whether because of financial constraints, poor credit or sporadic employment, these consumers often lack access to the benefits that wireless services bring to other consumers.<sup>87</sup> Designating Q LINK as an ETC in the Non-Jurisdictional States will enable it to expand the availability of affordable telecommunications services to qualifying consumers, leading to lower prices and increased choice.<sup>88</sup>

The instant request for limited ETC designation must be examined in light of the Act’s goal of providing low-income consumers with access to telecommunications services. The primary purpose of universal service is to ensure that consumers, particularly low-income consumers, receive affordable and comparable telecommunications services. Given this context, designating Q LINK as an ETC would significantly benefit low-income consumers eligible for Lifeline services in the Non-Jurisdictional States. The Company’s participation in the Lifeline

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<sup>86</sup> Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56.

<sup>87</sup> See *supra* note 25.

<sup>88</sup> See *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15; *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *Policy and Rules Concerning the Interstate, Interexchange Marketplace, Implementation of Section 254(g) of the Communications Act of 1934*, CC Docket No. 96-61, Second Report and Order, 11 FCC Rcd 20730, 20760 ¶ 52 (1996).

program would undoubtedly increase opportunities to serve these consumers with appealing and affordable wireless service offerings.

**A. Advantages of Q LINK's Service Offering**

The public interest benefits of the Company's wireless service include larger local calling areas (as compared to traditional wireline carriers), the convenience and security afforded by mobile telephone service, the opportunity for customers to control cost by receiving a preset amount of monthly airtime at no charge, the ability to purchase additional usage at flexible and affordable amounts in the event that included usage has been exhausted, 911 service and, where available, E911 service in accordance with current FCC requirements.

Q LINK's Lifeline customers will receive the same high-quality wireless services and exceptional customer service provided to all the Company's customers. Q LINK's Lifeline rate plans will not only allow feature-rich mobile connectivity for qualifying subscribers *at no cost to the subscriber*, but also will bring a variety of rate plans into the reach of Lifeline customers that are comparable in minutes and features to those available to post-paid wireless subscribers.

Low-income consumers will further benefit from Q LINK's service because Q LINK's Lifeline service will provide low-income residents with the convenience and security offered by wireless services — even if their financial position deteriorates. ETC designation in the Non-Jurisdictional States would enable Q LINK to offer attractive and affordable service offerings to low-income customers to ensure that they are able to afford wireless services on a consistent and uninterrupted basis. Without question, prepaid wireless services have become essential for low-income customers, providing them with value for their money, access to emergency services on wireless devices, and a reliable means of contact for prospective employers, social service agencies or dependents. Providing Q LINK with the authority necessary to offer discounted Lifeline

services to those most in danger of losing wireless service altogether undoubtedly promotes the public interest.

In sum, ETC designation in the Non-Jurisdictional States would enable Q LINK to provide all of the public benefits cited by the Commission in its analysis in the *TracFone* and *Virgin Mobile Orders*. Namely, Q LINK would provide “increased consumer choice, high-quality service offerings, and mobility,”<sup>89</sup> as well as the safety and security of effective 911 and E911 services.<sup>90</sup>

### **B. The Benefits of Competitive Choice**

The benefits to consumers of being able to choose from among a variety of telecommunications service providers have been acknowledged by the FCC for more than three decades.<sup>91</sup> Designation of Q LINK as an ETC will promote competition and innovation, and spur other carriers to target low-income consumers with service offerings tailored to their needs and to improve their existing networks to remain competitive, resulting in improved services to consumers. Designation of Q LINK as an ETC will help assure that quality services are available at “just, reasonable, and affordable rates” as envisioned in the Act.<sup>92</sup> Designation of Q LINK as an ETC would offer Lifeline-eligible consumers an additional choice of providers for accessing telecommunications services, representing a significant step towards ensuring that all low-income consumers share in the many benefits associated with access to wireless services.

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<sup>89</sup> See *Virgin Mobile Order*, 24 FCC Rcd at 3395 ¶ 38; *TracFone ETC Order*, 23 FCC Rcd at 6212 ¶ 15.

<sup>90</sup> See *Virgin Mobile Order*, 24 FCC Rcd at 3391 ¶ 23.

<sup>91</sup> See, e.g., *Specialized Common Carrier Services*, 29 FCC Rcd 870 (1971).

<sup>92</sup> See 47 U.S.C. § 254(b)(1).

### **C. Impact on the Universal Service Fund**

Q LINK's request for designation as an ETC solely for Lifeline purposes would not unduly burden the USF or otherwise reduce the amount of funding available to other ETCs. Q LINK will only increase the amount of USF Lifeline funding in situations where it obtains Lifeline customers not enrolled in another ETC's Lifeline program. By implementing the safeguards set forth in the *Lifeline and Link-up Reform Order*, Q LINK will minimize the likelihood that its customers are not eligible or are receiving duplicative support either individually or within their household. Significantly, the Company's designation as an ETC will not increase the number of persons eligible for Lifeline support. Q LINK's ability to increase the Lifeline participation rate of qualified low-income individuals will further the goal of Congress to provide all individuals with affordable access to telecommunications service, and thus any incremental increases in Lifeline expenditures are far outweighed by the significant public interest benefits of expanding the availability of affordable wireless services to low-income consumers. According to the FCC, "the additional choice and service options of another wireless reseller offering a service for low-income consumers represents a significant benefit for consumers and is in the public interest," and "a new entrant should incent existing wireless reseller ETCs to offer better service and terms to their customers, which provides additional evidence that forbearance in the context of the Lifeline program outweighs the potential costs."<sup>93</sup>

### **VIII. ANTI-DRUG ABUSE CERTIFICATION**

Q LINK certifies that no party to this Petition is subject to denial of federal benefits, including FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

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<sup>93</sup> See *Petition of i-wireless, LLC for Forbearance from 47 U.S.C § 214(e)(1)(A)*, Order, FCC 10-117 (rel. June 25, 2010) at ¶ 19.

**IX. CONCLUSION**

As discussed above, designation of Q LINK as an ETC in the Non-Jurisdictional States accords with the requirements of Section 214(e)(6) of the Act and is in the public interest.

For all of the foregoing reasons, Q LINK respectfully requests that the Commission designate Q LINK as an ETC in the Non-Jurisdictional States.

Respectfully submitted,

/s/ LANCE STEINHART  
Lance J.M. Steinhart  
Lance J.M. Steinhart, P.C.  
1725 Windward Concourse, Suite 150  
Alpharetta, Georgia 30005  
(770) 232-9200 (Phone)  
(770) 232-9208 (Fax)  
[lsteinhart@telecomcounsel.com](mailto:lsteinhart@telecomcounsel.com) (E-Mail)

*Attorney for Q LINK WIRELESS LLC*

April 12, 2012

## EXHIBIT A

### Proposed Lifeline Rates

#### **Plan 1: 68 Monthly Minutes Plan\***

68 anytime minutes per month

(texts are one-third of one minute, i.e. 3 texts = 1 minute)

Net cost to Lifeline customer: **\$0 (free)**

\*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 68 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance
- Free International Long Distance to countries designated at [www.qlinkwireless.com](http://www.qlinkwireless.com) (listed below)

#### **Plan 2: 125 Monthly Minutes Plan\***

125 anytime minutes per month

(texts are one minute, i.e. 1 text = 1 minute)

Net cost to Lifeline customer: **\$0 (free)**

\*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 125 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance

#### **Plan 3: 250 Monthly Minutes Plan\***

250 anytime minutes per month

(texts are one minute, i.e. 1 text = 1 minute)

Net cost to Lifeline customer: **\$0 (free)**

\*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 250 anytime minutes (unused minutes *do not* rollover)
- Free Domestic Long Distance

## International Long Distance

### **Free International Calling Destinations on the 68 Monthly Minutes Plan**

(Certain special or off-network locations may be excluded from the Free International Long Distance. Calls to cellular phones are not included unless the word "Cellular" is specifically listed next to the country name. Numbers in parentheses () indicate the Country Code.)

Albania-Tirana (355)	French Guiana-Cellular (594)	Norway (47)
Andorra (376)	French Guiana (594)	Panama (507)
Argentina (54)	Georgia (995)	Paraguay (595)
Australia (61)	Germany (49)	Peru (51)
Austria (43)	Gibraltar (350)	Poland (48)
Bahamas-Cellular (1)	Greece (30)	Portugal (351)
Bahamas (1)	Guadeloupe (590)	Romania (40)
Bangladesh-Cellular (880)	Guatemala-Telgua (502)	Russia-Cellular (7)
Bangladesh-Chittagong (880)	Hong Kong-Cellular (852)	Russia (7)
Bangladesh-Dhaka (880)	Hong Kong (852)	San Marino-Cellular (378)
Bangladesh-Sylhet (880)	Hungary (36)	San Marino (378)
Belgium (32)	Iceland (354)	Saudi Arabia-Riyadh (966)
Bermuda-Cellular (1)	India-Cellular (91)	Singapore-Cellular (65)
Bermuda (1)	India (91)	Singapore (65)
Bolivia-La Paz (591)	Indonesia-Cellular (62)	Slovakia (421)
Bolivia-Santa Cruz (591)	Indonesia-Jakarta (62)	Slovenia (386)
Brazil (55)	Indonesia-Surabaya (62)	South Korea-Cellular (82)
Brunei-Cellular (673)	Iraq-Baghdad (964)	South Korea (82)
Brunei (673)	Ireland (353)	Spain (34)
Bulgaria (359)	Israel (972)	Sweden (46)
Canada-Cellular (1)	Italy (39)	Switzerland (41)
Canada (1)	Japan (81)	Taiwan-Cellular (886)
Chile (56)	Jordan (962)	Taiwan (866)
China-Cellular (86)	Kazakhstan (7)	Thailand (66)
China (86)	Kenya-Nairobi (254)	Turkey (90)
Columbia-Cellular (57)	Lithuania (370)	United Kingdom (44)
Columbia (57)	Luxembourg-Cellular (352)	Uzbekistan (7)
Costa Rica (506)	Luxembourg (352)	Venezuela (58)
Croatia (585)	Macao-Cellular (853)	Vietnam-Ho Chi Minh City (84)
Cyprus-Cellular (357)	Macao (853)	Zambia (260)
Cyprus (357)	Malaysia-Cellular (60)	
Czech Republic (420)	Malaysia (60)	
Denmark (45)	Malta (356)	
Dominican Republic (1)	Mexico (52)	
Estonia (372)	Monaco (377)	
Finland (358)	Netherlands (31)	
France (33)	New Zealand (64)	
French Antilles (594)		

**EXHIBIT B**

**Affirmative Statement of the Alabama Public Service Commission**

# Alabama Public Service Commission

## Orders

**PINE BELT CELLULAR, INC. and PINE BELT PCS, INC.,**

**Joint Petitioners**

**PETITION: For ETC status and/or clarification regarding the jurisdiction of the Commission to grant ETC status to wireless carriers.**

**DOCKET U-4400**

### ORDER

#### **BY THE COMMISSION:**

In a joint pleading submitted on September 11, 2001, Pine Belt Cellular, Inc. and Pine Belt PCS, Inc. (collectively referred to as "Pine Belt") each notified the Commission of their desire to be designated as universal service eligible telecommunications carriers ("ETCs") for purposes of providing wireless ETC service in certain of the non-rural Alabama wireline service territories of BellSouth Telecommunications, Inc. ("BellSouth") and Verizon South, Inc. ("Verizon"). The Pine Belt companies noted their affiliation with Pine Belt Telephone Company, a provider of wireline telephone service in rural Alabama, but clarified that they exclusively provide cellular telecommunications and personal communications (collectively referred to as "CMRS" or "wireless") services in their respective service areas in Alabama in accordance with licenses granted by the Federal Communications Commission ("FCC"). The pivotal issue raised in the joint pleading of Pine Belt companies is whether the Commission will assert jurisdiction in this matter given the wireless status of the Pine Belt companies.

As noted in the filing of the Pine Belt companies, state Commissions have primary responsibility for the designation of eligible telecommunications carriers in their respective jurisdictions for universal service purposes pursuant to 47 USC §214 (e). The Commission indeed established guidelines and requirements for attaining ETC status in this jurisdiction pursuant to notice issued on October 31, 1997.

For carriers not subject to state jurisdiction, however, §214(e)(6) of the Telecommunications Act of 1996 provides that the FCC shall, upon request, designate such carriers as ETCs in non-rural service territories if said carriers meet the requirements of §214(e)(1). In an FCC Public Notice released December 29, 1997 (FCC 97-419) entitled "Procedures for FCC designation of Eligible Telecommunications Carriers pursuant to §214(e)(6) of the Telecommunications Act", the FCC required each applicant seeking ETC designation from the FCC to provide, among other things, "a certification and brief statement of supporting facts demonstrating that the Petitioner is not subject to the jurisdiction of a state Commission."

The Pine Belt companies enclosed with their joint pleading completed ETC application forms as developed by the Commission. In the event the Commission determines that it does not have jurisdiction to act on the Pine Belt request for ETC status, however, the Pine Belt companies seek an affirmative written statement from the Commission indicating that the Commission lacks jurisdiction to grant them ETC status as wireless carriers.

The issue concerning the APSC's jurisdiction over providers of cellular services, broadband personal communications services, and commercial mobile radio services is one that was rather recently addressed by the Commission. The Commission indeed issued a Declaratory Ruling on March 2, 2000, in Docket 26414 which concluded that as the result of certain amendments to the Code of Alabama, 1975 §40-21-120(2) and (1)(a) effectuated in June of 1999, the APSC has no authority to regulate, *in any respect*, cellular services, broadband personal communications services and commercial mobile radio services in Alabama. Given the aforementioned conclusions by the Commission, it seems rather clear that the Commission has no jurisdiction to take action on the Application of the Pine Belt companies for ETC status in this jurisdiction. The Pine Belt companies and all other wireless providers seeking ETC status should pursue their ETC designation request with the FCC as provided by 47 USC §214(e)(6).

IT IS, THEREFORE, ORDERED BY THE COMMISSION, That the Commission's jurisdiction to grant Eligible Telecommunications Carrier status for universal service purposes does not extend to providers of cellular services, broadband personal communications services, and commercial mobile radio services. Providers of such services seeking Eligible Telecommunications Carrier status should accordingly pursue their requests through the Federal Communications Commission.

IT IS FURTHER ORDERED, That this Order shall be effective as of the date hereof.

DONE at Montgomery, Alabama, this 12<sup>th</sup> day of March, 2002.

ALABAMA PUBLIC SERVICE COMMISSION

Jim Sullivan, President

Jan Cook, Commissioner

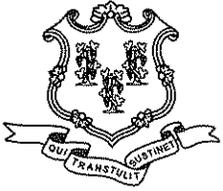
George C. Wallace, Jr., Commissioner

ATTEST: A True Copy

Walter L. Thomas, Jr., Secretary

**EXHIBIT C**

**Affirmative Statement of the Connecticut Department of Public Utility Control**



**STATE OF CONNECTICUT**  
**DEPARTMENT OF PUBLIC UTILITY CONTROL**

December 9, 2011  
In reply, please refer to:  
UR:PAP

Lance J.M. Steinhart, Esquire  
1720 Windward Concourse  
Suite 150  
Atlanta, Georgia 30005

Re: Request for Letter Clarifying Jurisdiction Over Wireless CETC Petitions

Dear Mr. Steinhart:

The Public Utilities Regulatory Authority (Authority), formerly known as the Department of Public Utility Control, acknowledges receipt of your October 18, 2011 letter filed on behalf of Q Link Wireless LLC (QLink) seeking clarification as to whether the Authority asserts jurisdiction to designate competitive eligible telecommunications carriers (CETC) in Connecticut. According to your letter, QLink seeks designation as a CETC in Connecticut and believes that the Authority does not assert jurisdiction to designate CETCs in the state and that carriers must apply to the Federal Communications Commission for certification.

The Authority has reviewed your request and notes that it has approved requests for CETC status from wireline-based carriers. However, in the instant case, QLink is a mobile virtual network operator. The Authority does not regulate or license mobile carrier services' rates and charges and therefore, it is not subject to the Authority's jurisdiction for the purposes of designating CETC status.

Sincerely,

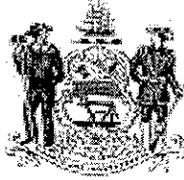
DEPARTMENT OF ENERGY AND ENVIRONMENTAL PROTECTION  
PUBLIC UTILITIES REGULATORY AUTHORITY



Kimberley J. Santopietro  
Executive Secretary

**EXHIBIT D**

**Affirmative Statement of the Delaware Public Service Commission**



STATE OF DELAWARE  
**THE PUBLIC SERVICE COMMISSION**  
861 SILVER LAKE BOULEVARD, SUITE 100  
CANNON BUILDING  
DOVER, DELAWARE 19904

October 21, 2011

**VIA ELECTRONIC MAIL**

Lance J.M. Steinhart, P.C.  
1725 Windward Concourse, Suite 150  
Alpharetta, Georgia 30005

RE: Delaware's Status as a Default State for the Federal Lifeline/Link-Up Program

Dear Mr. Steinhart:

I received your letter on behalf of Q Link Wireless LLC requesting clarification on Delaware's competitive eligible telecommunication carrier process. This is to confirm that Delaware is a "default" state and, therefore, it is the FCC, and not Delaware, that determines eligibility to receive the federally-subsidized price reductions. I am attaching the October 11, 2005 Order in PSC Docket No. 05-016T that discusses this issue in a Verizon Delaware, Inc. docket.

I will attach these documents to an email so that you will receive them expeditiously. If you would also like hard copies of the documents by mail let me know by e-mail and I will forward them to you.

Very truly yours,

A handwritten signature in black ink, appearing to read "Will O'Brien".

William F. O'Brien  
Executive Director

**EXHIBIT E**

**Affirmative Statement of the District of Columbia Public Service Commission**



**Public Service Commission of the District of Columbia**  
**1333 H Street, N.W., 2nd Floor, West Tower**  
**Washington, D.C. 20005**  
**(202) 626-5100**  
**www.dcpsc.org**

October 21, 2011

**Via First Class & Certified Mail**

Mr. Lance J.M. Stewart, P.C.  
Attorney At Law  
1725 Windward Concourse  
Suite 150  
Alpharetta, Georgia 30005

Dear Mr. Stewart:

Thank you for your October 18, 2011 letter stating the intent of Q Link Wireless LLC ("QLink") to seek designation as a competitive eligible telecommunication carrier ("CETC") in the District of Columbia. As you are aware, the Public Service Commission of the District of Columbia ("Commission") does not have jurisdiction over wireless carriers operating in the District of Columbia, pursuant to section 34-2006(b) of the District of Columbia Code.<sup>1</sup> Thus the Commission has no authority to designate QLink as an eligible telecommunications carrier in the District of Columbia.

Should you need anything further, please contact me at 202-626-5140 or [rbeverly@psc.dc.gov](mailto:rbeverly@psc.dc.gov).

Sincerely,

Richard A. Beverly  
General Counsel

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<sup>1</sup> Section 34-2006(b) states: Pursuant to the federal Telecommunications Act of 1996, this chapter shall not apply to licensed or unlicensed wireless services authorized by the Federal Communications Commission operating in the District of Columbia.



D.C. Council Home

Home Search Help ©



## Welcome to the online source for the District of Columbia Official Code

### DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

DC ST § 34-2006

Formerly cited as DC ST 1981 § 43-1456

District of Columbia Official Code 2001 Edition Currentness

Division V. Local Business Affairs

Title 34. Public Utilities. (Refs &amp; Annos)

Subtitle V. Telecommunications.

Chapter 20. Telecommunications Competition. (Refs &amp; Annos)

**⇒§ 34-2006. Exemptions.**

(a) This chapter shall not apply to cable television services performed pursuant to an existing cable television franchise agreement with the District of Columbia which is in effect on September 9, 1996. To the extent that a cable television company seeks to provide local exchange services within the District of Columbia, such company shall be regulated under the provisions of this chapter for their local exchange services.

(b) Pursuant to the federal Telecommunications Act of 1996, this chapter shall not apply to licensed or unlicensed wireless services authorized by the Federal Communications Commission operating in the District of Columbia.

(c) This chapter shall not:

- (1) Apply to the provision, rates, charges, or terms of service of Voice Over Internet Protocol Service or Internet Protocol-enabled Service;
- (2) Alter the authority of the Commission to enforce the requirements as are otherwise provided for, or allowed by, federal law, including the collection of Telecommunications Relay Service fees and universal service fees;
- (3) Alter the authority of the Office of Cable Television and Telecommunications with respect to the provision of video services in the District of Columbia; or
- (4) Alter the Commission's existing authority over the regulation of circuit-switched local exchange services in the District of Columbia.

**CREDIT(S)**

(Sept. 9, 1996, D.C. Law 11-154, § 7, 43 DCR 3736; June 5, 2008, D.C. Law 17-165, § 3(c), 55 DCR 5171.)

**HISTORICAL AND STATUTORY NOTES****Prior Codifications**

1981 Ed., § 43-1456.

**Effect of Amendments**

**EXHIBIT F**

**Affirmative Statement of the Florida Public Service Commission**

COMMISSIONERS:  
ART GRAHAM, CHAIRMAN  
LISA POLAK EDGAR  
RONALD A. BRISÉ  
EDUARDO E. BALBIS  
JULIE I. BROWN

STATE OF FLORIDA



GENERAL COUNSEL  
S. CURTIS KISER  
(850) 413-6199

## Public Service Commission

October 24, 2011

Ms. Kasey C. Chow  
Lance J.M. Steinhart, P.C.  
Attorney At Law  
1725 Windward Concourse  
Suite 150  
Alpharetta, GA 30005

**Re: Undocketed – Q Link Wireless LLC's ETC Designation**

Dear Ms. Chow:

We received your October 18, 2011 letter advising that Q Link Wireless LLC, a commercial mobile radio service provider, wish to seek designation as an ETC in Florida. You also requested an affirmative statement that the Florida Public Service Commission no longer assert jurisdiction to designate commercial mobile radio service providers as eligible telecommunication carriers in Florida.

This letter acknowledges that the revisions to Chapter 364, Florida Statutes, changed the Commission's jurisdiction regarding telecommunications companies. I direct your attention to Chapter 364, Florida Statutes, for the proposition that the Federal Communications Commission, rather than this Commission is the appropriate agency to consider Q Link Wireless LLC's bid for ETC status.

Sincerely,

  
S. Curtis Kiser  
General Counsel

cc: Beth W. Salak, Director, Division of Regulatory Analysis  
Robert J. Casey, Public Utilities Supervisor, Division of Regulatory Analysis  
Adam J. Teitzman, Attorney Supervisor, Office of the General Counsel  
Ann Cole, Commission Clerk, Office of Commission Clerk

**EXHIBIT G**

**Affirmative Statement of the New Hampshire Public Utilities Commission**

THE STATE OF NEW HAMPSHIRE

CHAIRMAN  
Thomas B. Getz

COMMISSIONERS  
Clifton C. Below  
Amy L. Ignatius

EXECUTIVE DIRECTOR  
AND SECRETARY  
Debra A. Howland



**PUBLIC UTILITIES COMMISSION**  
21 S. Fruit Street, Suite 10  
Concord, N.H. 03301-2429

Tel. (603) 271-2431

FAX (603) 271-3878

TDD Access: Relay NH  
1-800-735-2964

Website:  
[www.puc.nh.gov](http://www.puc.nh.gov)

March 28, 2011

**RE: ETC Certification in New Hampshire**

The federal Universal Service Fund (USF) was created by the Federal Communications Commission (FCC) to promote the availability of quality services at just and reasonable rates to all consumers including low-income customers and those in high cost areas and to increase nationwide access to advanced services in schools, libraries and rural health care facilities. To qualify for universal service funding a carrier must first be certified as an Eligible Telecommunications Carrier (ETC) by the state public utilities commission or, if the state does not assert this authority, by the FCC. *See* 47 U.S.C. §214 (e).

The New Hampshire Public Utilities Commission maintains authority to determine whether landline telecommunications carriers qualify as ETCs. Pursuant to New Hampshire RSA 362:6, the Commission has no jurisdiction over mobile radio communications services. Consequently, the state declines jurisdiction over the certification of wireless carriers as ETCs, leaving that responsibility to the FCC.

Sincerely,

A handwritten signature in black ink, appearing to read "F. Anne Ross".

F. Anne Ross

General Counsel

New Hampshire Public Utilities Commission

**EXHIBIT H**

**Affirmative Statement of the New York Public Service Commission**

STATE OF NEW YORK DEPARTMENT OF PUBLIC  
SERVICE

THREE EMPIRE STATE PLAZA, ALBANY, NY 12223-1350

www.dps.state.ny.us

PUBLIC SERVICE COMMISSION

GARRY A. BROWN

*Chairman*

PATRICIA L. ACAMPORA

MAUREEN F. HARRIS

ROBERT E. CURRY JR.

JAMES L. LAROCCA

*Commissioners*



PETER McGOWAN

*General Counsel*

JACLYN A. BRILLING

*Secretary*

October 21, 2011

TO WHOM IT MAY CONCERN:

Re: Q Link Wireless LLC CMRS Jurisdiction

We have received a letter from Q Link Wireless LLC (QLink), a mobile virtual network operator (MVNO), requesting a statement that the New York State Public Service Commission does not exercise jurisdiction over MVNOs for the purpose of making determinations regarding Competitive Eligible Telecommunications Carrier (CETC) designations under section 214 (e)(6) of 47 U.S.C. In response to this request, please be advised that section 5 (6)(a) of the New York State Public Service Law provides that:

Application of the provisions of this chapter to cellular telephone services is suspended unless the commission, no sooner than one year after the effective date of this subdivision, makes a determination, after notice and hearing, that suspension of the application of provisions of this chapter shall cease to the extent found necessary to protect the public interest.

The New York State Public Service Commission has not made a determination as of this date that regulation should be reinstated under section 5 (6)(a) of the Public Service Law. Consequently, based on the representation by QLink that it provides wireless service, it would not be subject to New York State Public Service Commission jurisdiction for the purpose of making a CETC designation.

Very truly yours,

*Maureen J. McCauley*

Maureen J. McCauley  
Assistant Counsel

**EXHIBIT I**

**Affirmative Statement of the North Carolina Public Utilities Commission**

**STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH**

DOCKET NO. P-100, SUB 133c

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of  
Designation of Carriers Eligible for Universal    )  
Carrier Support    )    ORDER GRANTING PETITION

BY THE COMMISSION: On August 22, 2003, North Carolina RSA3 Cellular Telephone Company, d/b/a Carolina West (Carolina West), a commercial mobile radio service (CMRS) provider, filed a Petition seeking an affirmative declaratory ruling that the Commission lacks jurisdiction to designate CMRS carrier eligible telecommunications carrier (ETC) status for the purposes of receiving federal universal service support.

In support of its Petition, Carolina West stated that it was a CMRS provider authorized by the Federal Communications Commission (FCC) to provide cellular mobile radio telephone service in North Carolina, and that the FCC had clearly recognized that CMRS carriers such as Carolina West may be designated as ETCs. ETC status is necessary for a provider to be eligible to receive universal service support. Section 214(e)(6) of the Telecommunications Act provides that if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC is charged with making the ETC determination. The FCC has stated that, in order for the FCC to consider requests pursuant to this provision, a carrier must provide an "affirmative statement" from the state commission or court of competent jurisdiction that the state lacks jurisdiction to perform the designation. To date, several state commissions have declined to exercise such jurisdiction.

North Carolina has excluded CMRS from the definition of "public utility." See, G.S. 62-3(23)j. Pursuant to this, the Commission issued its Order Concerning Deregulation of Wireless Providers in Docket Nos. P-100, Sub 114 and Sub 124 on August 28, 1995, concluding that the Commission no longer has jurisdiction over cellular services. Accordingly, Carolina West has now requested the Commission to issue an Order stating that it does not have jurisdiction to designate CMRS carriers ETC status for the purposes of receiving federal universal service support.

WHEREUPON, the Commission reaches the following

**CONCLUSIONS**

After careful consideration, the Commission concludes that it should grant Carolina West's Petition and issue an Order stating that it lacks jurisdiction to designate ETC status

for CMRS carriers. As noted above, in its August 28, 1995, Order in Docket Nos. P-100, Sub 114 and Sub 124, the Commission observed that G.S. 62-3(23)j, enacted on July 29, 1995, has removed cellular services, radio common carriers, personal communications services, and other services then or in the future constituting a mobile radio communications service from the Commission's jurisdiction. 47 USC 3(41) defines a "state commission" as a body which "has regulatory jurisdiction with respect to the intrastate operation of carriers." Pursuant to 47 USC 214(e)(6), if a state commission determines that it lacks jurisdiction over a class of carriers, the FCC must determine which carriers in that class may be designated as ETCs. Given these circumstances, it follows that the Commission lacks jurisdiction over CMRS services and the appropriate venue for the designation of ETC status for such services is with the FCC. Accord., Order Granting Petition, ALLTEL Communications, Inc., June 24, 2003.

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the 28th day of August, 2003.

NORTH CAROLINA UTILITIES COMMISSION

A handwritten signature in cursive script that reads "Patricia Swenson".

Patricia Swenson, Deputy Clerk

**EXHIBIT J**

**Affirmative Statement of the Tennessee Regulatory Authority**

**BEFORE THE TENNESSEE REGULATORY AUTHORITY**

**NASHVILLE, TENNESSEE**

**April 11, 2003**

**IN RE:**

**APPLICATION OF ADVANTAGE CELLULAR  
SYSTEMS, INC. TO BE DESIGNATED AS AN  
ELIGIBLE TELECOMMUNICATIONS CARRIER**

)  
)  
)  
)  
)

**DOCKET NO.  
02-01245**

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**ORDER**

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This matter came before Chairman Sara Kyle, Director Deborah Taylor Tate and Director Pat Miller of the Tennessee Regulatory Authority (the "Authority"), the voting panel assigned in this docket, at the regularly scheduled Authority Conference held on January 27, 2003, for consideration of the *Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier* ("Application") filed on November 21, 2002.

**Background**

Advantage Cellular Systems, Inc. ("Advantage") is a commercial mobile radio service provider ("CMRS") seeking designation as an Eligible Telecommunications Carrier ("ETC") by the Authority pursuant to 47 U.S.C. §§ 214 and 254. In its *Application*, Advantage asserts that it seeks ETC status for the entire study area of Dekalb Telephone Cooperative, Inc., a rural cooperative telephone company. Advantage maintains that it meets all the necessary requirements for ETC status and therefore is eligible to receive universal service support throughout its service area.

**The January 27, 2003 Authority Conference**

During the regularly scheduled Authority Conference on January 27, 2003, the panel of Directors assigned to this docket deliberated Advantage's *Application*. Of foremost consideration was the issue of the Authority's jurisdiction. The panel unanimously found that the Authority lacked

jurisdiction over Advantage for ETC designation purposes.<sup>1</sup>

This conclusion was implicitly premised on Tenn. Code Ann. § 65-4-104, which provides that:

The Authority has general supervisory and regulatory power, jurisdiction and control over all public utilities and also over their property, property rights, facilities, and franchises, so far as may be necessary for the purpose of carrying out the provisions of this chapter.

For purposes of Tenn. Code Ann. § 65-4-104, the definition of public utilities specifically excludes, with certain exceptions not relevant to this case, “[a]ny individual, partnership, copartnership, association, corporation or joint stock company offering domestic public cellular radio telephone service authorized by the federal communications commission.”

The Authority’s lack of jurisdiction over CMRS providers implicates 47 U.S.C. § 214(e), which addresses the provision of universal service. Where common carriers seeking universal service support are not subject to a state regulatory commission’s jurisdiction, 47 U.S.C. § 214(e)(6) authorizes the Federal Communications Commission (“FCC”) to perform the ETC designation.<sup>2</sup>

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<sup>1</sup> This finding is not inconsistent with the Authority’s decision in *In re: Universal Service Generic Contested Case*, Docket 97-00888, *Interim Order on Phase I of Universal Service*, pp. 53-57 (May 20, 1998), in which the Authority required intrastate telecommunications carriers to contribute to the intrastate Universal Service Fund including telecommunications carriers not subject to authority of the TRA. The decision in Docket No. 97-00888 was based primarily on 47 U.S.C. § 254(f) which authorizes states to adopt regulations not inconsistent with the Federal Communications Commission’s rules on Universal Service and specifically requires every telecommunications carrier that provides intrastate telecommunications services to contribute to the preservation and advancement of universal service in that state. The *Interim Order* was issued prior to the effective date of 47 U.S.C. § 214(e)(6).

<sup>2</sup> 47 U.S.C. §214(e)(6) states:

(6) Common carriers not subject to state commission jurisdiction

In the case of a common carrier providing telephone exchange service and exchange access that is not subject to the jurisdiction of a State commission, the Commission shall upon request designate such a common carrier that meets the requirements of paragraph (1) as an eligible telecommunications carrier for a service area designated by the Commission consistent with applicable Federal and State law. Upon request and consistent with the public interest, convenience and necessity, the Commission may, with respect to an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated under this paragraph, so long as each additional requesting carrier meets the requirements of paragraph (1). Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the Commission shall find that the designation is in the public interest.

As a matter of “state-federal comity,” the FCC requires that carriers seeking ETC designation “first consult with the state commission to give the state commission an opportunity to interpret state law.”<sup>3</sup> Most carriers that are not subject to a state regulatory commission’s jurisdiction seeking ETC designation must provide the FCC “with an affirmative statement from a court of competent jurisdiction or the state commission that it lacks jurisdiction to perform the designation.”<sup>4</sup>

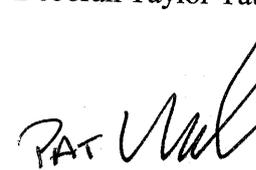
The panel noted that the FCC is the appropriate forum for Advantage to pursue ETC status pursuant to 47 U.S.C. § 214(e)(6). This Order shall serve as the above mentioned affirmative statement required by the FCC.

**IT IS THEREFORE ORDERED THAT:**

The *Application of Advantage Cellular Systems, Inc. To Be Designated As An Eligible Telecommunications Carrier* is dismissed for lack of subject matter jurisdiction.

  
Sara Kyle, Chairman

  
Deborah Taylor Tate, Director

  
Pat Miller, Director

<sup>3</sup> *In the Matter of Federal-State Joint Bd. on Universal Service, CC Docket No. 96-45, Twelfth Report and Order, Memorandum Opinion and Order, and Further Notice of Proposed Rulemaking*, 15 F.C.C.R. 12208, 12264, ¶ 113 (June 30, 2000).

<sup>4</sup> *See id.* (The “affirmative statement of the state commission may consist of any duly authorized letter, comment, or state commission order indicating that it lacks jurisdiction to perform designations over a particular carrier.”)

**EXHIBIT K**

**Affirmative Statement of the Virginia Corporation Commission**

## STATE CORPORATION COMMISSION DOCUMENT CONTROL

AT RICHMOND, APRIL 9, 2004

IN RE:

2004 APR -9 A 11:46

APPLICATION OF VIRGINIA CELLULAR LLC

CASE NO. PUC-2001-00263

For designation as an eligible  
telecommunications provider under  
47 U.S.C. § 214(e) (2)

ORDER INVITING COMMENTS AND/OR REQUESTS FOR HEARING

On December 21, 2001, Virginia Cellular LLC ("Virginia Cellular") filed an application with the State Corporation Commission ("Commission") for designation as an eligible telecommunications carrier ("ETC"). This was the first application by a Commercial Mobile Radio Service ("CMRS") carrier for ETC designation.<sup>1</sup> Pursuant to the Order Requesting Comments, Objections, or Requests for Hearing, issued by the Commission on January 24, 2002, the Virginia Telecommunications Industry Association and NTELOS Telephone Inc. ("NTELOS") filed their respective comments and requests for hearing on February 20, 2002. Virginia Cellular filed Reply Comments on March 6, 2002. Our Order of April 9, 2002, found that § 214(e)(6) of the Act is applicable to Virginia Cellular's application because this Commission has not asserted jurisdiction over CMRS carriers and that Virginia Cellular should apply to the Federal Communications Commission ("FCC") for ETC designation.

Virginia Cellular filed its Petition for Designation as an Eligible Telecommunications Carrier in the State of Virginia with the FCC on April 26, 2002. On January 22, 2004, the FCC released its order designating Virginia Cellular as an ETC in specific portions of its licensed

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<sup>1</sup> Virginia Cellular is a CMRS carrier as defined in 47 U.S.C. § 153(27) and is authorized as the "A-band" cellular carrier for the Virginia 6 Rural Service Area, serving the counties of Rockingham, Augusta, Nelson, and Highland and the cities of Harrisonburg, Staunton, and Waynesboro.

service area in the Commonwealth of Virginia subject to certain conditions ("FCC's January 22, 2004, Order").<sup>2</sup>

The FCC's January 22, 2004, Order further stated that Virginia Cellular's request to redefine the service areas of Shenandoah Telephone Company ("Shentel") and MGW Telephone Company ("MGW") in Virginia pursuant to § 214(3)(5) of the Telecommunications Act of 1996 ("Act") was granted subject to the agreement of this Commission. On March 2, 2004, the FCC filed its January 22, 2004, Order as a petition in this case.<sup>3</sup>

Section 214(e)(5) of the Act states:

SERVICE AREA DEFINED. - The term "service area" means a geographic area established by a State commission (or the Commission under paragraph (6)) for the purpose of determining universal service obligations and support mechanisms. In the case of an area served by a rural telephone company, "service area" means such company's "study area" unless and until the Commission and the States, after taking into account recommendations of a Federal-State Joint Board instituted under section 410(c), establish a different definition of service area for such company.

In this instance, the FCC has determined that the service areas of Shentel and MGW, which are both rural telephone companies under the Act, should be redefined as requested by Virginia Cellular.<sup>4</sup> The FCC further recognizes that the "Virginia Commission's first-hand knowledge of the rural areas in question uniquely qualifies it to determine the redefinition proposal and examine whether it should be approved."<sup>5</sup>

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<sup>2</sup> CC Docket No. 96-45, *In the Matter of Federal-State Joint Board on Universal Service, Virginia Cellular LLC Petition for Designation as an Eligible Telecommunications Carrier in the Commonwealth of Virginia*.

<sup>3</sup> See paragraph 45 of the FCC's January 22, 2004, Order. The FCC, in accordance with § 54.207(d) of its rules, requests that the Virginia Commission treat this Order as a petition to redefine a service area under § 54.207(d)(1) of the FCC's rules. A copy of the petition can be obtained from the Commission's website at: <http://www.state.va.us/scc/caseinfo.htm>.

<sup>4</sup> The FCC denied Virginia Cellular's request to redefine the study area of NTELOS. See paragraph 50 of the FCC's January 22, 2004, Order.

<sup>5</sup> The FCC's January 24, 2004, Order at paragraph 2. (citations omitted)

The Commission finds that interested parties should be afforded the opportunity to comment and/or request a hearing regarding the FCC's petition to redefine the service areas of Shentel and MGW. We note that the FCC believes that its proposed redefinition of these service areas should not harm either Shentel or MGW.<sup>6</sup> However, we request any interested party to specifically address in its comments whether our agreeing to the FCC's proposal to redefine the service areas of Shentel and MGW would harm these companies.

NOW UPON CONSIDERATION of all the pleadings of record and the applicable law, the Commission is of the opinion that interested parties should be allowed to comment or request a hearing regarding the FCC's proposed redefinition of Shentel's and MGW's service areas.

Accordingly, IT IS ORDERED THAT:

(1) Any interested party desiring to comment regarding the redefinition of Shentel's and MGW's service areas may do so by directing such comments in writing on or before May 7, 2004, to Joel H. Peck, Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, Richmond, Virginia 23218. Interested parties desiring to submit comments electronically may do so by following the instructions found on the Commission's website: <http://www.state.va.us/scc/caseinfo.htm>.

(2) On or before May 7, 2004, any interested party wishing to request a hearing regarding the redefinition of Shentel's and MGW's service areas shall file an original and fifteen (15) copies of its request for hearing in writing with the Clerk of the Commission at the address set forth above. Written requests for hearing shall refer to Case No. PUC-2001-00263 and shall include: (i) a precise statement of the interest of the filing party; (ii) a statement of the specific action sought to the extent then known; (iii) a statement of the legal basis for such action; and (iv) a precise statement why a hearing should be conducted in the matter.

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<sup>6</sup> See paragraphs 43 and 44 of the FCC's January 22, 2004, Order.

(3) On or before June 1, 2004, interested parties may file with the Clerk of the Commission an original and fifteen (15) copies of any responses to the comments and requests for hearing filed with the Commission. A copy of the response shall be delivered to any person who filed comments or requests for hearing.

(4) This matter is continued generally.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission to: each local exchange telephone company licensed to do business in Virginia, as shown on Attachment A hereto; David A. LaFuria, Esquire, Lukas, Nace, Gutierrez & Sachs, Chartered, 1111 19th Street, N.W., Suite 1200, Washington, D.C. 20036; Thomas Buckley, Attorney-Advisor, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Washington, D.C. 20554; Virginia Telecommunications Industry Association, c/o Richard D. Gary, Esquire, Hunton & Williams LLP, Riverfront Plaza, East Tower, 951 East Byrd Street, Richmond, Virginia 23219-4074; L. Ronald Smith, President and General Manager, Shenandoah Telephone Company, P.O. Box 105, Williamsville, Virginia 24487; Lori Warren, Director of Regulatory Affairs, MGW Telephone Company, P.O. Box 459, Edinburg, Virginia 22824-0459; C. Meade Browder, Jr., Senior Assistant Attorney General, Division of Consumer Counsel, Office of Attorney General, 900 East Main Street, 2nd Floor, Richmond, Virginia 23219; and the Commission's Office of General Counsel and Divisions of Communications, Public Utility Accounting, and Economics and Finance.

**EXHIBIT L**

**Coverage Area**

State	SAC	Study Area Name	Rural (R) or Non- Rural (N)
AL	250282	BLOUNTSVILLE TEL CO	R
AL	250283	BRINDLEE MOUNTAIN	R
AL	250284	BUTLER TEL CO	R
AL	250285	CASTLEBERRY TEL CO	R
AL	250286	NATIONAL OF ALABAMA	R
AL	250290	FARMERS TELECOM COOP	R
AL	250295	GRACEBA TOTAL COMM	R
AL	250298	GULF TEL CO - AL	R
AL	250299	HAYNEVILLE TEL CO	R
AL	250300	HOPPER TELECOMM. CO.	R
AL	250301	FRONTIER-LAMAR CNTY	R
AL	250302	WINDSTREAM AL	R
AL	250304	MILLRY TEL CO	R
AL	250305	MON-CRE TEL COOP	R
AL	250306	FRONTIER COMM.-AL	R
AL	250307	MOUNDEVILLE TEL CO	R
AL	250308	NEW HOPE TEL COOP	R
AL	250311	OAKMAN TEL CO (TDS)	R
AL	250312	OTELCO TELEPHONE LLC	R
AL	250314	PEOPLES TEL CO	R
AL	250315	PINE BELT TEL CO	R
AL	250316	RAGLAND TEL CO	R
AL	250317	ROANOKE TEL CO	R
AL	250318	FRONTIER COMM-SOUTH	R
AL	250322	UNION SPRINGS TEL CO	R
AL	255181	SO CENTRAL BELL-AL	N
AL	259788	CENTURYTEL-AL-SOUTH	N
AL	259789	CENTURYTEL-AL-NORTH	N
CT	132454	THE WOODBURY TEL CO	R
CT	135200	SOUTHERN NEW ENGLAND	N
DC	575020	VERIZON WA, DC INC.	N
DE	565010	VERIZON DELAWARE INC	N
NC	230468	ATLANTIC MEMBERSHIP	R
NC	230469	BARNARDSVILLE TEL CO	R
NC	230470	CAROLINA TEL & TEL	R
NC	230471	CENTEL OF NC	R
NC	230473	CITIZENS TEL CO	R
NC	230474	CONCORD TEL CO	R
NC	230476	WINDSTREAM NC	R
NC	230478	ELLERBE TEL CO	R
NC	230479	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230483	LEXCOM TELEPHONE CO.	R
NC	230485	MEBTEL, INC.	R

NC	230491	N.ST. DBA N. ST.COMM	R
NC	230494	PINEVILLE TEL CO	R
NC	230495	RANDOLPH TEL CO	R
NC	230496	RANDOLPH MEMBERSHIP	R
NC	230497	PIEDMONT MEMBERSHIP	R
NC	230498	SALUDA MOUNTAIN TEL	R
NC	230500	SERVICE TEL CO	R
NC	230501	SKYLINE MEMBERSHIP	R
NC	230502	STAR MEMBERSHIP CORP	R
NC	230503	SURRY MEMBERSHIP	R
NC	230505	TRI COUNTY TEL MEMBR	R
NC	230509	FRONTIER COMMUNICATIONS OF THE CAROLINAS, INC.	N
NC	230510	WILKES MEMBERSHIP	R
NC	230511	YADKIN VALLEY TEL	R
NC	230864	VERIZON SOUTH INC. DBA NORTH CAROLINA	N
NC	235193	SOUTHERN BELL-NC	N
NH	120038	BRETTON WOODS TEL CO	R
NH	120039	GRANITE STATE TEL	R
NH	120042	DIXVILLE TEL CO	R
NH	120043	DUNBARTON TEL CO	R
NH	120045	KEARSARGE TEL CO	R
NH	120047	MERRIMACK COUNTY TEL	R
NH	120049	UNION TEL CO	R
NH	120050	WILTON TEL CO - NH	R
NH	123321	MCTA, INC.	R
NH	125113	NORTHERN NEW ENGLAND TELEPHONE OPERATIONS LLC	N
NY	150071	ARMSTRONG TEL CO-NY	R
NY	150072	FRONTIER-AUSABLE VAL	R
NY	150073	BERKSHIRE TEL CORP	R
NY	150076	CASSADAGA TEL CORP	R
NY	150077	CHAMPLAIN TEL CO	R
NY	150078	CHAUTAUQUA & ERIE	R
NY	150079	CHAZY & WESTPORT	R
NY	150081	CITIZENS HAMMOND NY	R
NY	150084	TACONIC TEL CORP	R
NY	150085	CROWN POINT TEL CORP	R
NY	150088	DELHI TEL CO	R
NY	150089	DEPOSIT TEL CO	R
NY	150091	DUNKIRK & FREDONIA	R
NY	150092	EDWARDS TEL CO	R
NY	150093	EMPIRE TEL CORP	R
NY	150095	FISHERS ISLAND TEL	R
NY	150097	GERMANTOWN TEL CO	R
NY	150099	HANCOCK TEL CO	R
NY	150100	FRONTIER COMM OF NY	R
NY	150104	MARGARETVILLE TEL CO	R
NY	150105	MIDDLEBURGH TEL CO	R

NY	150106	WINDSTREAM NY-FULTON	R
NY	150107	NEWPORT TEL CO	R
NY	150108	NICHOLVILLE TEL CO	R
NY	150109	WINDSTREAM-JAMESTOWN	R
NY	150110	OGDEN TEL DBA FRNTER	R
NY	150111	ONEIDA COUNTY RURAL	R
NY	150112	ONTARIO TEL CO, INC.	R
NY	150113	WINDSTREAM RED JACKT	R
NY	150114	ORISKANY FALLS TEL	R
NY	150116	PATTERSONVILLE TEL	R
NY	150118	PORT BYRON TEL CO	R
NY	150121	FRONTIER-ROCHESTER	N
NY	150121	FRONTIER-ROCHESTER	R
NY	150122	FRONTIER-SENECA GORH	R
NY	150125	STATE TEL CO	R
NY	150128	FRONTIER-SYLVAN LAKE	R
NY	150129	TOWNSHIP TEL CO	R
NY	150131	TRUMANSBURG TEL CO.	R
NY	150133	VERNON TEL CO	R
NY	150135	WARWICK VALLEY-NY	R
NY	154532	CITIZENS-FRONTIER-NY	R
NY	154533	CITIZENS-FRONTIER-NY	R
NY	154534	CITIZENS-FRONTIER-NY	R
NY	155130	VERIZON NEW YORK	N
TN	290280	ARDMORE TEL CO	R
TN	290552	CENTURYTEL-ADAMSVILL	R
TN	290553	BEN LOMAND RURAL	R
TN	290554	BLED SOE TEL COOP	R
TN	290557	CENTURY-CLAIBORNE	R
TN	290559	CONCORD TEL EXCHANGE	R
TN	290561	CROCKETT TEL CO	R
TN	290562	DEKALB TEL COOP	R
TN	290565	HIGHLAND TEL COOP-TN	R
TN	290566	HUMPHREY'S COUNTY	R
TN	290567	UNITED INTER-MT-TN	R
TN	290570	LORETTO TEL CO	R
TN	290571	MILLINGTON TEL CO	R
TN	290573	NORTH CENTRAL COOP	R
TN	290574	CENTURYTEL-OOLTEWAH	R
TN	290575	TENNESSEE TEL CO	R
TN	290576	PEOPLES TEL CO	R
TN	290578	TELLICO TEL CO	R
TN	290579	TWIN LAKES TEL COOP	R
TN	290580	CTZENS-FRNTR-VOL ST	R
TN	290581	UTC OF TN	R
TN	290583	WEST TENNESSEE TEL	R
TN	290584	YORKVILLE TEL COOP	R

TN	290598	WEST KENTUCKY RURAL TELEPHONE	R
TN	294336	CITIZENS-FRONTIER-TN	R
TN	295185	SO. CENTRAL BELL -TN	N
VA	190217	AMELIA TEL CORP	R
VA	190219	BUGGS ISLAND COOP	R
VA	190220	BURKE'S GARDEN TEL	R
VA	190225	CITIZENS TEL COOP	R
VA	190226	NTELOS, INC.	R
VA	190233	VERIZON S-VA(CONTEL)	N
VA	190237	HIGHLAND TEL COOP	R
VA	190238	MGW TEL. CO. INC.	R
VA	190239	NEW HOPE TEL COOP	R
VA	190243	PEMBROKE TEL COOP	R
VA	190244	PEOPLES MUTUAL TEL	R
VA	190248	SCOTT COUNTY COOP	R
VA	190249	ROANOKE & BOTETOURT	R
VA	190250	SHENANDOAH TEL CO	R
VA	190253	VIRGINIA TEL CO	R
VA	190254	CENDEL OF VIRGINIA	R
VA	190479	VERIZON SOUTH-VA	R
VA	190567	UNITED INTER-MT-VA	R
VA	193029	NEW CASTLE TEL. CO.	R
VA	195040	VERIZON VIRGINIA INC	N
VA	197251	SHENANDOAH TELEPHONE COMPANY - NR	R

**Exhibit M**

**Q LINK WIRELESS LLC's Compliance Plan**

## Your submission has been accepted

**ECFS Filing Receipt - Confirmation number: 2012412228513**

### Proceedings

Name	Subject
09-197	Telecommunications Carriers Eligible to Receive Universal Service Support
11-42	In the Matter of Federal-State Joint Board on Universal Service Lifeline and Link Up Lifeline and Link Up Reform and Modernization.

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**City:** Alpharetta  
**State:** GEORGIA  
**Zip:** 30005

### Details

**Type of Filing:** AMENDMENT

### Document(s)

File Name	Custom Description	Size
FCC Amend2 Compliance Plan Filing_public.pdf	Q LINK WIRELESS LLC'S Second Amended Compliance Plan	4 MB

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April 12, 2012

**VIA ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street  
Washington, D.C. 20554

Re: Q LINK WIRELESS LLC  
Compliance Plan  
WC Docket No. 09-197 & WC Docket No. 11-42

Dear Ms. Dortch:

Pursuant to the Federal Communications Commission Order *In the Matter of Lifeline and Link Up Reform and Modernization* released February 6, 2012, attached please find Q LINK WIRELESS LLC's Second Amended Compliance Plan (WC Docket Nos. 09-197 and 11-42). This Second Amended Compliance Plan replaces in its entirety Q LINK's original Compliance Plan filed February 10, 2012 and Amended Compliance Plan filed March 16, 2012.

**Please be advised that Exhibit C Financial Statements are CONFIDENTIAL and PROPRIETARY.**

If you have any questions or if I may provide you with additional information, please do not hesitate to contact me. Thank you for your assistance.

Respectfully submitted,

/s/ LANCE STEINHART

Lance J.M. Steinhart  
Attorney for Q LINK WIRELESS LLC

Attachments

cc: Issa Asad

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**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of the )  
 )  
Telecommunications Carriers Eligible for ) WC Docket No. 09-197  
Universal Service Support )  
 ) WC Docket No. 11-42  
Lifeline and Link Up Reform and Modernization )  
 )  
Blanket Forbearance Compliance Plan )

**Q LINK WIRELESS LLC'S SECOND AMENDED COMPLIANCE PLAN**

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*Attorney for Q LINK WIRELESS LLC*

April 12, 2012

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Financial Statements .....	C
Key Management Resumes .....	D
Proposed Lifeline Rates .....	E
Terms and Conditions .....	F

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of the	)	
	)	
Telecommunications Carriers Eligible for	)	WC Docket No. 09-197
Universal Service Support	)	
	)	WC Docket No. 11-42
Lifeline and Link Up Reform and Modernization	)	
	)	
Blanket Forbearance Compliance Plan	)	

**Q LINK WIRELESS LLC’S SECOND AMENDED COMPLIANCE PLAN**

**I. INTRODUCTION**

Q LINK WIRELESS LLC (“Q LINK” or the “Company”) is a prepaid wireless telecommunications carrier seeking designation as an Eligible Telecommunications Carrier (“ETC”) solely for the purpose of participating in the Lifeline program. Although Section 214(e)(1)(A) of the Act requires an ETC to offer USF-supported services to some extent over its own facilities, the Federal Communications Commission (“FCC” or “Commission”) has forbore from that requirement for carriers that are, or seek to become, Lifeline-only ETCs.<sup>1</sup> Q LINK will avail itself of the FCC’s conditional grant of forbearance and, by its attorney, hereby files its Second Amended Compliance Plan outlining the measures it will take to implement the conditions of forbearance outlined in the *Order*.<sup>2</sup> This Second Amended Compliance Plan replaces in its entirety, Q LINK’s original Compliance Plan filed with the Commission on February 10, 2012 and its Amended Compliance Plan filed on March 16, 2012. Given the severe economic environment that is forcing

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<sup>1</sup> *In the Matter of Lifeline and Link Up Reform and Modernization, Lifeline and Link Up, Federal-State Joint Board on Universal Service, Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No. 11-42, WC Docket No. 03-109, CC Docket No. 96-45, WC Docket No. 12-23, Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) (“*Order*”).

<sup>2</sup> Although the Company qualifies for and seeks to avail itself of the Commission’s grant of forbearance from the facilities requirement of section 214(e)(1)(A) for purposes of the federal Lifeline program, the Company reserves the right to demonstrate to a state public utilities commission that it provides service using its own facilities in a state for purposes of state universal service funding under state program rules and requirements.

many low-income customers to forego wireless service, Q LINK respectfully requests expeditious approval of this plan so that the Company, upon designation as an ETC, may quickly deploy much-needed Lifeline services to qualified low-income customers.

## **II. BACKGROUND**

In the *Order*, the Commission granted forbearance from the “own-facilities” requirement contained in Section 214(e)(1)(A) for carriers that are, or seek to become, Lifeline-only ETCs, subject to the following conditions:<sup>3</sup>

(1) the carrier must comply with certain 911 requirements [(a) providing its Lifeline subscribers with 911 and E911 access, regardless of activation status and availability of minutes; (b) providing its Lifeline subscribers with E911-compliant handsets and replacing, at no additional charge to the subscriber, noncompliant handsets of Lifeline-eligible subscribers who obtain Lifeline-supported services; and (c) complying with conditions (a) and (b) starting on the effective date of this Order]; and

(2) the carrier must file, and the Bureau must approve, a compliance plan that: (a) outlines the measures the carrier will take to implement the obligations contained in this Order, including but not limited to the procedures the ETC follows in enrolling a subscriber in Lifeline and submitting for reimbursement for that subscriber from the Fund, materials related to initial and ongoing certifications and sample marketing materials, as well as further safeguards against waste, fraud and abuse the Bureau may deem necessary; and (b) provides a detailed description of how the carrier offers service, the geographic areas in which it offers service, and a description of the carrier’s various Lifeline service plan offerings, including subscriber rates, number of minutes included and types of plans available.

## **III. Q LINK WILL COMPLY WITH THE REQUIREMENTS SET FORTH IN THE ORDER**

Q LINK will comply with all conditions set forth in the *Order*, the provisions of this Compliance Plan, and all laws and regulations governing its provision of Lifeline-supported prepaid wireless service to customers throughout the United States.

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<sup>3</sup> See *Order* at ¶¶ 368, 373 and 379.

**A. Access to 911 and E911 Services**

In the *Order*, the Commission requires Q LINK to provide its Lifeline customers with access to 911 and E911 services, regardless of activation status and availability of minutes.<sup>4</sup> The Commission and consumers are hereby assured that all Q LINK customers will have available access to emergency calling services at the time that Lifeline service is initiated, and that such 911 and E911 access will be available from Q LINK handsets even if the account associated with the handset has no minutes remaining.

**B. E911-Compliant Handsets**

The Commission also conditioned its grant of forbearance determination on Q LINK providing only E911-compliant handsets to its Lifeline customers.<sup>5</sup> Q LINK will ensure that all handsets used in connection with the Company's Lifeline service offering are E911-compliant. In the event that an existing Q LINK customer does not have an E911-compliant handset, the Company will replace it with a new 911/E911-compliant handset at no charge to the customer. Any new customer that qualifies for and enrolls in the Lifeline program is assured of receiving a 911/E911-compliant handset as well, free of charge.

**C. Consumer Eligibility and Enrollment**

Q LINK will certify and verify consumer eligibility for Lifeline in accordance with the requirements set forth in the *Order*. In instances where a state agency or third-party administrator is responsible for the initial determination and annual recertification of consumer eligibility, Q LINK will rely on the state identification or database.<sup>6</sup> In instances where Q LINK is responsible for the initial determination and annual recertification of consumer eligibility, the Company will

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<sup>4</sup> See *Order* at ¶ 373.

<sup>5</sup> See *id.*

<sup>6</sup> See *Order* at ¶ 98.

follow the procedures set forth below.

### **1. One-Per-Household**

Q LINK understands that Lifeline is limited to a single subscription per household, and that the Commission has defined household as “any individual or group of individuals who are living together at the same address as one economic unit.”<sup>7</sup> Upon receiving an application for Lifeline support, Q LINK will check the duplicates database, once in place, to determine whether an individual at the applicant’s residential address is currently receiving Lifeline-supported service. Q LINK will also search its own internal database of active customers, real-time, pre-sale, to ensure that it does not already provide Lifeline-supported service to someone at that residential address.

If Q LINK determines that an individual at the applicant’s address is currently receiving Lifeline-supported service, Q LINK will take an additional step to ensure that the applicant and the current subscriber are part of different households. To enable applicants to make this demonstration, Q LINK will require applicants to complete and submit to the Company USAC’s one-per-household template, which will contain the following: (1) an explanation of the Commission’s one-per-household rule; (2) a check box that an applicant can mark to indicate that he or she lives at an address occupied by multiple households; (3) a space for the applicant to certify that he or she shares an address with other adults who do not contribute income to the applicant’s household and share in the household’s expenses or benefit from the applicant’s income; and (4) the penalty for a consumer’s failure to make the required one-per-household certification (i.e., de-enrollment).<sup>8</sup> Q LINK will deny the Lifeline application of any individual residing at the same address as a current Lifeline subscriber who is part of the same household, and

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<sup>7</sup> See Order at ¶ 74.

<sup>8</sup> See Order at ¶ 78.

will advise the applicant of the basis for the denial.

On its application certification forms, a sample of which is attached as Exhibit A,<sup>9</sup> Q LINK will obtain a consumer's permanent residential address (which cannot be a P.O. Box or General Delivery address), unless they only have a temporary address, and, if different, a billing address for the service (which may include a P.O. Box or General Delivery address).<sup>10</sup> Q LINK will inquire on its certification forms whether or not the address provided is temporary.<sup>11</sup> If so, Q LINK will notify the consumer that the Company will contact the consumer every 90 days, by phone or text, to verify that he or she continues to rely on that address, and that if the consumer fails to respond within 30 days of Q LINK's attempt to verify the temporary address, he or she will be de-enrolled from the Lifeline program. Also on its certification forms, Q LINK will explain that if the subscriber moves, they must provide their new address to the Company within 30 days of moving.<sup>12</sup> If the subscriber has moved, Q LINK will update the duplicates database, once in place, with the information within 10 business days of receipt of the information.<sup>13</sup>

As detailed below, Q LINK's certification form will clearly explain the one-per-household requirement and all consumers must certify that they receive Lifeline support for a single subscription per household.

## **2. Initial and Annual Certification**

Consumers will be signed up in person or directed, via company literature or advertising, to a toll-free telephone number and to the Company website, which will provide information regarding the Company's Lifeline service plans, including a detailed description of the program and state-

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<sup>9</sup> See Exhibit A. The sample certification form remains subject to change, but substantially reflects the content of the Company's application.

<sup>10</sup> See Order at ¶ 85.

<sup>11</sup> See Order at ¶ 89.

<sup>12</sup> See Order at ¶ 85.

<sup>13</sup> See *id.*

specific eligibility criteria. Q LINK's application form will identify that it is a "Lifeline" application. Q LINK will provide Lifeline-specific training to all personnel, whether employees, agents or representatives, that interacts with actual or prospective customers with respect to obtaining, changing, or terminating Lifeline services.

Q LINK's initial and annual certification forms will conform to the list of requirements provided in the *Order*, Appendix C and with C.F.R. § 54.410(d), as amended. Q LINK's Lifeline certification forms will require each prospective subscriber to provide the following information:

- (i) The subscriber's full name;
- (ii) The subscriber's full residential address;
- (iii) Whether the subscriber's residential address is permanent or temporary;
- (iv) The subscriber's billing address, if different from the subscriber's residential address;
- (v) The subscriber's date of birth;
- (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number;
- (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and
- (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

The certification forms will also explain in clear, easily understandable language that:

- (i) Lifeline is a federal government benefit;
- (ii) Lifeline service is available for only one line per household;
- (iii) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses;
- (iv) households are not permitted to receive benefits from multiple providers;
- (v) that violation of the one-per-household requirement would constitute a violation of the Commission's rules and would result in the consumer's de-enrollment from the program, and potentially, prosecution by the United States government; and
- (vi) a Lifeline subscriber may not transfer his or her service to any other individual, including another eligible low-income consumer.

Q LINK will require all consumers, at sign up and annually thereafter, to certify under penalty of perjury that:

- (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409;
- (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline including, as relevant, if the subscriber no longer meets the income-based or program-based criteria for receiving Lifeline support, the subscriber is receiving more than one Lifeline benefit, or another member of the subscriber's household is receiving a Lifeline benefit.
- (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e);
- (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days;
- (v) If the subscriber provided a temporary residential address, he or she will be required to verify his or her temporary residential address every 90 days;
- (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline service;
- (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge,
- (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and
- (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

Applicants will also be required to initial a number of disclosure statements intended to ensure that the applicant understands applicable eligibility requirements. Q LINK will verbally explain the certifications to consumers. With respect to those enrolling via the Internet, Q LINK will highlight the certifications that are required, for example, by requiring consumers to acknowledge each certification before moving on to the next field.<sup>14</sup> Consumers must return a signed application and support documentation to the Company by mail, fax, email, kiosk scan, or other electronic transmission. The Company will accept electronic signatures, including Interactive

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<sup>14</sup> See Order at ¶ 123.

Voice Response (IVR) recordings, which meet the requirements of the Electronic Signatures in Global and National Commerce Act, 15 USC 7001-7006.<sup>15</sup>

Q LINK will determine eligibility, at a minimum, utilizing the income and program criteria currently utilized by federal default states (47 C.F.R. § 54.409(a), (b)), as well as any additional state-specific criteria. Prior to enrolling a new subscriber, Q LINK will check the eligibility of applicants first by accessing state or federal social services electronic eligibility databases, where available.<sup>16</sup> If a database is used to establish eligibility, Q LINK will not require documentation of the applicant's participation in a qualifying federal program; instead, Q LINK or its representative will note in its records what specific data was relied upon to confirm the applicant's initial eligibility for Lifeline.<sup>17</sup> However, in states where there is no state administrator, the state commission or other state agency is not making eligibility determinations, and there is no automated means for Q LINK to check electronic databases for eligibility, Q LINK will review documentation to determine eligibility for new subscribers until such time as a qualifying eligibility database is available.<sup>18</sup> Q LINK will require acceptable documentation both for income eligibility and program eligibility. The Company will not retain copies of the documentation but rather will establish policies and procedures to review such documentation and keep accurate records detailing how the applicant demonstrated his or her eligibility.<sup>19</sup> Q LINK understands that it may permit agents or representatives to review documentation of consumer program eligibility for Lifeline, and in such cases Q LINK remains liable for ensuring the agent or representative's compliance with the Lifeline program rules.<sup>20</sup>

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<sup>15</sup> See Order at ¶ 168.

<sup>16</sup> See Order at ¶ 97.

<sup>17</sup> See Order at ¶ 98.

<sup>18</sup> See Order at ¶ 99.

<sup>19</sup> See Order at ¶ 101.

<sup>20</sup> See Order at ¶ 110.

### 3. Annual Re-Certification

Q LINK understands that it must re-certify the eligibility of its entire Lifeline subscriber base as of June 1, 2012 by the end of 2012 and report the results to USAC by January 31, 2013, and the Company may elect to perform this re-certification on a rolling basis throughout the year.<sup>21</sup> By December 31, 2012, Q LINK will re-certify the continued eligibility of all of its subscribers by contacting them – either in person, in writing, by phone, by text message, by email, or otherwise through the Internet – to confirm their continued eligibility.<sup>22</sup> The re-certification notice will explain the actions the customer must take to retain Lifeline benefits, when Lifeline benefits may be terminated, and how to contact Q LINK. Q LINK will obtain a signed certification from the subscriber that meets the certification requirements of 47 C.F.R. § 54.410(d), as amended, as detailed in section C.2 above. The Company will provide written notice of impending service termination to subscribers who do not respond to the annual re-certification within 30 days. Q LINK understands that such certifications may be obtained through a written format, an IVR system, or a text message, and will use one or more of such options for its certifications.<sup>23</sup>

Alternatively, where a database containing consumer eligibility data is available, Q LINK (or state agency or third-party, where applicable) will instead query the database by the end of 2012 and maintain a record of what specific data was used to re-certify eligibility and the date of re-certification. If a subscriber's address cannot be verified through the state data, Q LINK will contact the subscriber during the annual certification process to obtain a valid address.<sup>24</sup> After

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<sup>21</sup> See Order at ¶ 130.

<sup>22</sup> See *id.*

<sup>23</sup> See Order at ¶ 132.

<sup>24</sup> See Order at ¶ 131.

2012, Q LINK will continue to annually certify the continued eligibility of its entire subscriber base, either by accessing a qualifying database, or by electing to have USAC administer the self-certification process on the Company's behalf.<sup>25</sup>

Q LINK will certify its compliance with Commission rules on an annual Lifeline eligible telecommunications carrier certification form and when submitting FCC Forms 497 to USAC for reimbursement. As part of Q LINK's submission of re-certification data pursuant to 47 C.F.R. § 54.416, an officer of the Company will certify annually to USAC:

(1) that the Company has procedures in place to review consumers' documentation of income-and program-based eligibility. In instances where the Company confirms consumer eligibility by relying on official program eligibility data, such as a state or federal database, an officer of the Company will attest to what data the Company uses to confirm consumer eligibility in each state; and

(2) that the Company is in compliance with all federal Lifeline certification procedures.<sup>26</sup>

In addition, Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each customer for whom the Company seeks Lifeline reimbursement.<sup>27</sup>

#### **D. Additional Reforms to Eliminate Waste, Fraud and Abuse**

Q LINK shares the Commission's concern about abuse of the Lifeline program and is thus committed to the safeguards stated herein, with the belief that the procedures it will implement will prevent Company customers from engaging in such abuse of the program, inadvertently or intentionally. In an effort to prevent waste, fraud, and abuse, Q LINK has implemented procedures to identify and prevent fraud. The goals are to ensure integrity both in Q LINK, but also in the

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<sup>25</sup> See Order at ¶ 133.

<sup>26</sup> See Order at ¶ 126-27.

<sup>27</sup> See Order at ¶ 128.

Lifeline program as a whole.

Q LINK has contracted with CGM, LLC of Roswell, Georgia, a Lifeline service bureau, to edit all subsidy request data. CGM will process and validate the Company's subsidy data to prevent: (1) Duplicate Same-Month Lifeline Subsidies (Double Dip): any name/address that is already receiving a lifeline subsidy from the Company will be automatically prevented from receiving a second lifeline subsidy in that same month; and (2) Inactive lines receiving subsidy: CGM's systems compare all subsidy requests to underlying network status to ensure that subsidies are requested only for active lines. Through the processes described herein, Q LINK ensures that it does not over-request from support funds.

For each applicant, Q LINK first validates the applicant's identity via a government issued ID card, passport, etc. Additionally, as mentioned above, Q LINK requires the applicant provide their date of birth (DOB) and last four digits of their social security number (SSN). Requiring DOB and SSN ensures that neither the applicant nor the Company representative can forge certification forms based on false names and addresses. Once the applicant's identity is confirmed, Q LINK verifies that the applicant is eligible to receive the Lifeline subsidy. To do this, Q LINK checks any available eligibility database. If one is not available, the applicant is required to provide proof of participation in one of the Lifeline eligible programs or proof that their annual household income is at or below 135% of the federal poverty guidelines. This prevents ineligible applicants from receiving the Lifeline subsidy.

The address of the applicant is then verified via a USPS/Melissa Database to ensure the address is correct. Simultaneously, the name/address combination is dipped into CGM's aggregate duplicate database to confirm that the applicant is not already receiving a Lifeline subsidy from Q LINK or any other CGM client. This is done through an API connection between Q LINK's

provisioning platform and GCM. This allows the Company to ensure the applicant is not receiving a duplicate subsidy, as well as identify those who share an address with current Q LINK customers. This then prompts the representative to detail the one-per-household rule with the applicant, allowing the applicant to then certify they are head of household. Should Q LINK confirm that a household is receiving more than one subsidy, whether by information obtained from an applicant, USAC's IDR process, or a national database, the customer will be immediately de-enrolled from the Lifeline program.

If and when Q LINK determines that an applicant is indeed eligible for the Lifeline program, the Company will ship a new or refurbished handset, dependent only upon availability, to the qualifying Lifeline customer along with materials explaining the use of the handset, Q LINK's terms and conditions, and disclosures regarding the Lifeline program. Handsets will not be shipped pre-activated. Qualifying Lifeline customers, upon receipt of the handset, must personally activate the handset by contacting Q LINK Customer Service either over the phone or via Internet.

#### **1. National Lifeline Accountability Database**

Q LINK will participate in the National Lifeline Accountability Database, once it is established. As required by the *Order*, Q LINK will provide to the database subscriber name, address, phone number, the last four digits of Social Security number, date of birth, Lifeline service initiation and de-enrollment date (when applicable), and amount of federal Lifeline support being sought for that subscriber.<sup>28</sup> Q LINK will provide the information listed above for existing subscribers within 60 days of Commission notice that the database is capable of accepting subscriber information.<sup>29</sup>

Furthermore, Q LINK will obtain acknowledgement and consent from each of its

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<sup>28</sup> See *Order* at ¶ 189.

<sup>29</sup> See *Order* at ¶ 190.

subscribers that is written in clear, easily understandable language that the subscriber's name, telephone number, and address will be disclosed to USAC and/or its agents for the purpose of verifying that the subscriber does not receive more than one Lifeline benefit.<sup>30</sup>

Within 30 days following Commission notice that the database is capable of accepting queries, Q LINK will query the database to check if a prospective subscriber is already receiving service from another ETC prior to seeking reimbursement from the Fund.<sup>31</sup>

## **2. Subscriber Usage**

Q LINK will not seek reimbursement from the USF for new subscribers until they have personally activated the service, either by initiation and/or actual use of the service by the subscriber. Furthermore, Q LINK will not seek reimbursement from the USF for inactive subscribers who have not used the service for a consecutive 60-day period.<sup>32</sup> Q LINK will notify its subscribers at service initiation about the non-transferability of the phone service, its usage requirements, and the de-enrollment and deactivation that will result following non-usage in any 60-day period of time.<sup>33</sup> An account will be considered active if during any 60-day period the authorized subscriber does at least one of the following: makes a monthly payment; purchases minutes from the Company to add to an existing pre-paid Lifeline account; completes an outbound call; answers an incoming call from anyone other than the Company, its representative, or agent; or affirmatively responds to a direct contact from the Company confirming that he or she wants to continue.<sup>34</sup> Q LINK utilizes tracking software to notify the customer if the customer has not used their service for more than 30 or 60 consecutive days. Furthermore, a third party contractor validates the Company's subsidy data to prevent a subsidy request for

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<sup>30</sup> See Order, Appendix C.

<sup>31</sup> See Order at ¶ 203.

<sup>32</sup> See Order at ¶ 257.

<sup>33</sup> See *id.*

<sup>34</sup> See Order at ¶ 261.

customers that are inactive under the Company's non-usage policy.<sup>35</sup> After notification, if the customer fails to use their service, the customer is automatically de-enrolled pursuant to the procedures outlined in section E below. Q LINK will continue to comply with applicable public safety, including transmitting 911 calls to the appropriate PSAP even if the Company is no longer providing Lifeline service to a consumer.<sup>36</sup>

### **3. Marketing & Outreach**

Q LINK will implement the measures outlined herein to help ensure that only eligible consumers enroll in the program and that those consumers are fully informed of the limitations of the program, so as to prevent duplicative or otherwise ineligible service as well as other forms of waste, fraud, and abuse. Q LINK will explain in clear, easily understood language the following disclosures in all marketing materials related to the supported service:<sup>37</sup> (1) that only eligible consumers may enroll in the program; (2) that the program is limited to one benefit per household, consisting of either wireline or wireless service; (3) a household is defined, for purposes of the Lifeline program, as any individual or group of individuals who live together at the same address and share income and expenses; and (4) that Lifeline is a government benefit program. Q LINK will prepare printed material that will explain the documentation necessary for enrollment, and the details of the Company's plans, and will provide such information on its website. Such material and website information, as well as its application, will make clear that consumers who willfully make false statements in order to obtain the benefit can be punished by

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<sup>35</sup> CGM, LLC is currently the Company's third party contractor.

<sup>36</sup> See Order at ¶ 262. 911 transmissions will actually be performed by the Company's underlying facilities-based CMRS provider.

<sup>37</sup> See Exhibit B for sample marketing materials. The Company understands the term "marketing materials" includes materials in all media, including but not limited to print, audio, video, Internet (including email, web, and social networking media), and outdoor signage, that describe the Lifeline-supported service offering, including application and certification forms. See Order at ¶ 275.

fine or imprisonment or can be barred from the program.<sup>38</sup> For broadcast advertisements and outdoor signage, such as billboards, and any other situation in which inclusion of documentation information and warnings against willful false statements are impractical, Q LINK, will provide the URL link for the information disclosure page on its website. Additionally, Q LINK will disclose the company name under which it does business.<sup>39</sup> In order to reinforce the limitation of one Lifeline phone per household, the following statement, or words to the same effect, will appear in the Company's marketing materials and website (www.qlinkwireless.com) in a conspicuous place, in bold font and in an offsetting color to ensure it is not overlooked:

**Lifeline support is limited to one per household on wireline or wireless service.**

#### **4. Audits**

If Q LINK draws \$5 million or more in the aggregate on an annual basis from the low-income program, as determined on a holding company basis taking into account all operating companies and affiliates, the Company will hire an independent licensed certified public accounting firm to conduct a biennial audit according to government accounting standards to assess Q LINK's overall compliance with the program's requirements.<sup>40</sup> Q LINK will comply with applicable rules regarding the dissemination of audit findings to the Commission, USAC, and relevant state and Tribal governments within 30 days upon issuance.<sup>41</sup>

#### **E. De-Enrollment**

Q LINK will de-enroll consumers from the Company's Lifeline program in the following instances, according to C.F.R. § 54.405(e):

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<sup>38</sup> See Order at ¶ 275.

<sup>39</sup> See *id.*

<sup>40</sup> See Order at ¶ 291.

<sup>41</sup> See Order at ¶ 294.

Ineligibility. Any subscriber who indicates that he or she is receiving more than one Lifeline-supported service per household, or neglects to make the required one-per-household certification on his or her certification form, will be de-enrolled from Lifeline pursuant to the process for resolving duplicative Lifeline subscriptions described in section 54.405(e)(2).<sup>42</sup> If a customer does not respond to the Company's annual verification survey within 30 days, or if Q LINK has reasonable basis to believe that the subscriber no longer meets the Lifeline-qualifying criteria (including instances where a subscriber informs the Company or the state that he or she is ineligible for Lifeline), Q LINK will provide a written notice of impending service termination to the subscriber and then give the subscriber 30 days after the date of the letter to demonstrate that his or her Lifeline service should not be terminated.<sup>43</sup> Similarly, Q LINK will de-enroll a subscriber if they fail to respond to the Company's attempt to verify a temporary address within 30 days.<sup>44</sup>

Duplicative Support. Subject to USAC's Duplicate Resolution Process and anticipated Duplicate Scrubbing Process,<sup>45</sup> Q LINK will de-enroll a subscriber within 5 business days if the Company is informed by USAC that the subscriber is receiving Lifeline service from another ETC or that more than one member of a subscriber's household is receiving Lifeline service.

Non-Usage. Q LINK will monitor all customers to ensure that they in fact have usage on their account within a 60-day period. Q LINK will de-enroll any subscriber that has not used the Company's Lifeline service for 60 consecutive days, as discussed in section IV.B above. Q LINK will send the subscriber a 30-day termination letter, using clear, easily understood language, notifying the subscriber that failure to use the Lifeline service within the 30-day cure

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<sup>42</sup> See Order at ¶ 122.

<sup>43</sup> See *id.* In states that have dispute resolution procedures applicable to Lifeline termination, the Company will comply with the state requirements.

<sup>44</sup> See Order at ¶ 89.

<sup>45</sup> See Order at ¶ 214-16.

period will result in service termination for non-usage. The subscriber will be able to confirm that they want to continue receiving their Lifeline service. Q LINK will update the national database, once in place, within one business day of de-enrolling a subscriber for non-use and will submit a non-usage de-enrollment report annually to USAC.<sup>46</sup> Q LINK will not seek reimbursement from the USF during the 30-day cure period unless the subscriber confirms they want to continue service.

## **F. Additional Rule Amendments**

### **1. Reporting Requirements**

Q LINK will report all information required by section 54.422, as it may heretofore be amended. This includes the names of the Company's holding company, operating companies and affiliates, and any branding ("doing-business-as company" or brand designation), and provide to the Commission and USAC general information regarding the terms and conditions of the Lifeline plans for voice telephony service offered specifically for low income consumers through the program offered during the previous year, including the number of minutes provided, and whether there are additional charges to the consumer for service, including minutes of use and/or toll calls.<sup>47</sup>

### **2. Reimbursements from USAC**

In seeking reimbursement for Lifeline, Q LINK will comply with the requirements of C.F.R § 54.407, as revised by the *Order*.<sup>48</sup> Q LINK will certify when seeking reimbursement that the Company has obtained a valid certification form for each consumer for whom the Company

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<sup>46</sup> See *Order* at ¶ 257.

<sup>47</sup> See *Order* at ¶ 296, 390. Section 153 of the Communications Act defines "affiliate" as "a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person.

<sup>48</sup> See *Order* page 221.

seeks Lifeline reimbursement;<sup>49</sup> and the Company will seek reimbursement for actual lines served, not projected lines.<sup>50</sup>

### **3. Section 54.202 Certifications**

Q LINK certifies the following in accordance with newly amended C.F.R. § 54.202: (1) Q LINK will comply with the service requirements applicable to the support that it receives; (2) Q LINK is able to remain functional in emergency situations; and (3) Q LINK will satisfy applicable consumer protection and service quality standards.

## **IV. COMPANY INFORMATION**

Q LINK is a Limited Liability Company organized in the State of Delaware on August 25, 2011. Q LINK will provide prepaid wireless telecommunications services by using the Sprint Nextel (“Sprint”) network on a wholesale basis to offer nationwide service. Sprint is a nationwide carrier that provides wholesale capacity on its wireless network to wireless providers like Q LINK. Q LINK will obtain from Sprint the network infrastructure and wireless transmission facilities to allow Q LINK to operate as a Mobile Virtual Network Operator (“MVNO”). Q LINK was designated as an ETC in Maryland on December 21, 2011. Q LINK does not currently provide service in any state.

### **A. Names and Identifiers**

The Company’s legal name is Q LINK WIRELESS LLC. Q LINK’s holding company is QUADRANT HOLDINGS GROUP LLC. The Company does not have any operating companies and it identifies itself as Q LINK or Q LINK WIRELESS on its marketing and advertising materials.

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<sup>49</sup> See Order at ¶ 128.

<sup>50</sup> See Order at ¶ 302.

## **B. Financial and Technical Capability**

Q LINK is financially and technically capable of providing Lifeline-supported services.<sup>51</sup> Q LINK will provide service to both Lifeline and non-Lifeline customers. Q LINK has not been subject to enforcement action or ETC revocation proceedings in any state. Q LINK is financially able to provide Lifeline-supported services and will not rely exclusively on USF disbursements to operate.<sup>52</sup> Furthermore, the senior management of Q LINK has great depth in the telecommunications industry and offers extensive telecommunications business technical and managerial expertise to the Company.<sup>53</sup> Q LINK will also rely upon the managerial and technical expertise of its underlying carrier Sprint.

## **C. Lifeline Offering**

Q LINK will offer its Lifeline service in the states where it is designated as an ETC and throughout the coverage area of its underlying carrier Sprint. As summarized in Exhibit E attached hereto, the Company's Lifeline offering will provide customers with the option to choose between three (3) Lifeline Plans<sup>54</sup> that best meets their needs:

1. Plan 1: 68 Monthly Minutes. Under Plan 1, eligible customers enjoy 68 anytime minutes that rollover and free international long distance.<sup>55</sup> Text messaging is at the rate of one-third of one minute (3 texts = 1 minute).
2. Plan 2: 125 Monthly Minutes. Under Plan 2, eligible customers enjoy 125 anytime minutes that rollover. Text messaging is at the rate of one minute (1 text = 1 minute).

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<sup>51</sup> See Order at ¶ 387.

<sup>52</sup> See Exhibit C for QUADRANT HOLDINGS GROUP LLC'S Financial Statements. This information is **CONFIDENTIAL AND PROPRIETARY** and is being filed under seal as such.

<sup>53</sup> See Exhibit D for key management resumes.

<sup>54</sup> Q LINK's Lifeline Plans vary from state to state in accordance with state requirements or Tribal offerings; the three Lifeline plans outlined in this compliance plan are the offerings available in most states. Please see the Company's website ([www.qlinkwireless.com](http://www.qlinkwireless.com)) for more detailed information regarding plans available in each state.

<sup>55</sup> If you are on Plan 1, there is no additional charge for international long distance to countries designated at [www.qlinkwireless.com](http://www.qlinkwireless.com).

3. Plan 3: 250 Monthly Minutes. Under Plan 3, eligible customers enjoy 250 anytime minutes. Minutes do not rollover. Text messaging is at the rate of one minute (1 text = 1 minute).

Customers have the capability of purchasing additional bundles of minutes in denominations as low as \$9.99, \$19.99, \$29.99, and \$59.99.<sup>56</sup> Airtime replenishment cards will be made available at retail outlets frequented by low-income customers throughout the Company's Service Area. In addition to free voice services, all of Q LINK's Lifeline plans will include a free handset and the following Custom Calling features: Caller ID, Call Waiting, and Voicemail. Q LINK does not impose burdensome credit checks or long-term service contracts on its prepaid customers. Customers are not bound by a local calling area requirement; all Q LINK plans come with domestic long distance at no extra per minute charge and exceptional nationwide digital coverage on the Nationwide Sprint PCS Network. Calls to 911 emergency services are always free, regardless of service activation or availability of minutes. Calls to Q Link customer service are also free. Q LINK has attached as Exhibit F its Lifeline terms and conditions of service. The terms and conditions of the Company's plans can also be found at [www.qlinkwireless.com](http://www.qlinkwireless.com).

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<sup>56</sup> \$9.99 = 50 minutes, \$19.99 = 120 minutes, \$29.99 = 200 minutes, and \$59.99 = 450 minutes.

V. **CONCLUSION**

Q LINK submits that its Compliance Plan fully satisfies the conditions of forbearance set forth in the Commission's *Order*. Implementation of the procedures described herein will promote public safety and should ensure that Lifeline customers have access to 911 and E911 services while safeguarding against misuse of the Company's Lifeline services. Accordingly, Q LINK respectfully requests that the Commission expeditiously approve its Compliance Plan so that the Company may begin providing the benefits of much-needed Lifeline service to qualifying low-income consumers as quickly as possible.

Respectfully submitted,

Q LINK WIRELESS LLC

/s/ LANCE STEINHART

---

Lance J.M. Steinhart  
Lance J.M. Steinhart, P.C.  
1725 Windward Concourse  
Suite 150  
Alpharetta, Georgia 30005  
(770) 232-9200

*Its Counsel*

Dated April 12, 2012

**EXHIBIT A**

**Sample Lifeline Certification Form**



# APPLICATION FOR GOVERNMENT LIFELINE ASSISTANCE PROGRAM

## Things to know about the Lifeline Program:

- (1) Lifeline is a federal non-transferable benefit.
- (2) Lifeline Service is available for only one line per household. A household cannot receive benefits from multiple providers; and
- (3) A household is defined, for purposes of the Lifeline Program, as any individual or group of individuals who live together at the same address and share income and expenses.



Please read all instructions before completing. Information will be validated. Discrepancies could result in delays.

Last Name \_\_\_\_\_ First Name \_\_\_\_\_ MI \_\_\_\_\_ Birth Date (Month/Day/Year) \_\_\_\_\_ Last Four Digits of SS# \_\_\_\_\_  
 Home Phone Number \_\_\_\_\_ Cell Phone Number \_\_\_\_\_ Contact Phone Number \_\_\_\_\_ Email Address \_\_\_\_\_  
 This address is  Permanent  Temporary  Multi-Household

Residence Address (No P.O. Boxes, Must be your principal address) \_\_\_\_\_ Apartment No. \_\_\_\_\_ State \_\_\_\_\_ City \_\_\_\_\_ Zip Code \_\_\_\_\_

Plan Features	<input type="checkbox"/> 68 FREE Monthly Minutes	<input type="checkbox"/> 125 FREE Monthly Minutes	<input type="checkbox"/> 250 FREE Monthly Minutes
Choose your plan (check one)			
Local Calls	✓	✓	✓
National Long Distance	✓	✓	✓
Voice Mail	✓	✓	✓
Nationwide Text	✓ (0.3 minutes per text)	✓ (1 minute per text)	✓ (1 minute per text)
Roaming at no additional cost	✓	✓	✓
Free 911	✓	✓	✓
411 Directory Assistance*	✓	✓	✓
Carry-Over minutes from month to month	✓	✓	✗
100+International Long Distance destinations	✓	✓**	✓**



\*Minutes can be used for 411 calling at no additional cost.  
 \*\*Long distance charges will apply



To apply for Q Link you may choose ONE of the two options below:

**The program is limited to one benefit per household and only eligible consumers may enroll in the program. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.**

**OPTION 1** To qualify you must attach proof of participation in one of the programs listed below.

I hereby certify that I participate in at least ONE of the following public assistance programs (Check all that apply):

- Medicaid (Not the same as Medicare)
- Supplemental Nutrition Assistance Program (Food Stamps)
- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income SSI (Not the same as Social Security Benefits)
- National School Lunch Program's Free Lunch Program
- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance/ Section 8



**OPTION 2** Qualify by certifying your income is at or below 135% of the Federal Poverty Guidelines.

### HOUSEHOLD INCOME:

Please check household persons and income level that applies. Eligibility may apply if your total household income is at or below the following guidelines.

Persons in Family or Household	Annual Income	Monthly Income
1	\$16,335	\$1,361
2	\$22,065	\$1,839
3	\$27,795	\$2,316
4	\$33,525	\$2,794
5 or More		

For each additional add: \$5,730

To qualify by income you must attach proof of income. Submit your most current statement from sources below:

- Prior year's State or Federal income tax return
- Three consecutive months of your most current pay stubs
- Workers Compensation/Unemployment benefits
- Child support document or divorce decree
- Retirement/Pension benefits statement
- Social Security/Veterans Administration benefits statement (Documentation You Submit Will Not Be Returned)

Total monthly household income \_\_\_\_\_ Number of people receiving income \_\_\_\_\_  
 Total yearly household income \_\_\_\_\_ Number of children under age of 18 \_\_\_\_\_



**PENALTY OF PERJURY: Under title 18 U.S.C. § 1621, whoever willfully states as true any material matter which he does not believe to be true in a statement under penalty of perjury, is guilty of perjury and shall, except as otherwise expressly provided by law, be fined or imprisoned not more than five years, or both.**

### I certify, under penalty of perjury: (Initial by Each Certification)

- The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
- I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
- I have provided documentation of eligibility if required to do so.
- I understand that I and my household can only have one Lifeline-supported telephone service. Q Link Wireless has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the Lifeline program, and could result in criminal prosecution by the US Government.
- I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
- I understand my Q Link Wireless Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
- I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Q Link Wireless to confirm that I want to continue receiving their service.
- I will notify Q Link Wireless within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify Q Link Wireless if:
  - I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
  - My household is receiving more than one Lifeline supported device.
  - I no longer satisfy the criteria for receiving Lifeline support.
- I will notify Q Link Wireless within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Q Link Wireless every ninety (90) days. If I fail to respond to Q Link Wireless' address verification attempts within thirty (30) days, my Q Link Wireless Lifeline service may be terminated.
- Q Link Wireless has explained that I'm required each year to re-certify my eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Q Link Wireless service.
- I authorize and understand that the Q Link Wireless may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
- I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
- I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

### PRIVACY LAW

I authorize Q Link Wireless or its duly appointed representative to: (1) access any records required to verify my statements herein; (2) to confirm my continued eligibility for Lifeline assistance; (3) to update my address to a proper mailing address format; and (4) authorize social service agency representatives to discuss with and/or provide information to Q Link Wireless verifying my participation in benefit programs that qualify me for Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.

Please check this box if you would like to receive pre-recorded special offers and promotions for Q Link Customers at the Home Telephone number provided in the Contact Information.

Applicant Signature \_\_\_\_\_ Date \_\_\_\_\_



Mail application to: Q Link Wireless LLC  
 499 East Sheridan Street Suite 300  
 Dania Beach, FL 33004

Fax application to: 1-855-83QLINK (855-837-5465)  
 For questions please call 1-855-QLINK43 (855-754-6543)



# MIDDLE SECTION

To apply for Q Link you may choose ONE of the two options below:

**The program is limited to one benefit per household and only eligible consumers may enroll in the program. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.**



To qualify you must attach proof of participation in one of the programs listed below.

I hereby certify that I participate in at least ONE of the following public assistance programs (Check all that apply):

- Medicaid (Not the same as Medicare)
- Supplemental Nutrition Assistance Program (Food Stamps)
- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income SSI (Not the same as Social Security Benefits)
- National School Lunch Program's Free Lunch Program
- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance/ Section 8



Qualify by certifying your income is at or below 135% of the Federal Poverty Guidelines.

## HOUSEHOLD INCOME:

Please check household persons and income level that applies. Eligibility may apply if your total household income is at or below the following guidelines.

Persons in Family or Household		Annual Income	Monthly Income
1	<input type="checkbox"/>	\$16,335	\$1,361
2	<input type="checkbox"/>	\$22,065	\$1,839
3	<input type="checkbox"/>	\$27,795	\$2,316
4	<input type="checkbox"/>	\$33,525	\$2,794
5 or More	<input type="checkbox"/>		
For each additional add: \$5,730			

To qualify by income you must attach proof of income. Submit your most current statement from sources below:

- Prior year's State or Federal income tax return
  - Three consecutive months of your most current pay stubs
  - Workers Compensation/Unemployment benefits
  - Child support document or divorce decree
  - Retirement/Pension benefits statement
  - Social Security/Veterans Administration benefits statement
- (Documentation You Submit Will Not Be Returned)**

Total monthly household income  Number of people receiving income   
 Total yearly household income  Number of children under age of 18

# BOTTOM SECTION

**PENALTY OF PERJURY:** Under title 18 U.S.C. § 1621, whoever willfully states as true any material matter which he does not believe to be true in a statement under penalty of perjury, is guilty of perjury and shall, except as otherwise expressly provided by law, be fined or imprisoned not more than five years, or both.

**I certify, under penalty of perjury: (Initial by Each Certification)**

- \_\_\_\_\_ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
- \_\_\_\_\_ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
- \_\_\_\_\_ (3) I have provided documentation of eligibility if required to do so.
- \_\_\_\_\_ (4) I understand that I and my household can only have one Lifeline-supported telephone service. Q Link Wireless has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the Lifeline program, and could result in criminal prosecution by the US Government.
- \_\_\_\_\_ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
- \_\_\_\_\_ (6) I understand my Q Link Wireless Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
- \_\_\_\_\_ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Q Link Wireless to confirm that I want to continue receiving their service.
- \_\_\_\_\_ (8) I will notify Q Link Wireless within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify Q Link Wireless if:
  - (1) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
  - (2) My household is receiving more than one Lifeline supported device.
  - (3) I no longer satisfy the criteria for receiving Lifeline support.
- \_\_\_\_\_ (9) I will notify Q Link Wireless within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Q Link Wireless every ninety (90) days. If I fail to respond to Q Link Wireless' address verification attempts within thirty (30) days, my Q Link Wireless Lifeline service may be terminated.
- \_\_\_\_\_ (10) Q Link Wireless has explained that I'm required each year to re-certify my eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Q Link Wireless service.
- \_\_\_\_\_ (11) I authorize and understand that the Q Link Wireless may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
- \_\_\_\_\_ (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
- \_\_\_\_\_ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

**PRIVACY LAW**

I authorize Q Link Wireless or its duly appointed representative to: (1) access any records required to verify my statements herein; (2) to confirm my continued eligibility for Lifeline assistance; (3) to update my address to a proper mailing address format; and (4) authorize social service agency representatives to discuss with and/or provide information to Q Link Wireless verifying my participation in benefit programs that qualify me for Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.

Please check this box if you would like to receive pre-recorded special offers and promotions for Q Link Customers at the Home Telephone number provided in the Contact Information.

Applicant Signature \_\_\_\_\_

Date \_\_\_\_\_



Mail application to: Q Link Wireless LLC  
499 East Sheridan Street Suite 300  
Dania Beach, FL 33004

Fax application to: 1-855-83QLINK (855-837-5465)  
For questions please call 1-855-QLINK43 (855-754-6543)

## **EXHIBIT B**

### **Sample Marketing Materials**

- 1. Internet/Email Banner Ad 600x474**
- 2. Poster/Flyer Ad 8.5x11**



GET YOUR **FREE CELL PHONE** NOW!

Need a **FREE** Cell Phone?

Plus Free  
Minutes Every  
Month



Did You Know Q Link Wireless Provides **FREE** Cell Phones for income eligible individuals? You may qualify if you participate in programs such as Food Stamps or Medicaid or your income is below 135% of the Federal Poverty Guidelines.

See If You Qualify! ▶

- ▶ No Contracts
- ▶ No Monthly Bills Ever!
- ▶ No Credit Checks!

**Get Yours Now!**

Lifeline support is limited to one per household on wireline or wireless service. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Proof of participation in eligible programs/annual household income required for enrollment.

Q Link Wireless is a provider of the Government's Lifeline program. Visit our terms at <http://qlinkwireless.com/terms.aspx> for more info. Call 1-855-QLINK43 or visit <http://qlinkwireless.com> to see if you are eligible.



# FREE CELL PHONES FROM Q LINK WIRELESS

**NO FEES!**



**PAY NOTHING!**



**NO CONTRACTS!**



## You May Qualify If:

You currently receive Medicaid, Food Stamps or other government assistance or if your household income is 135% of the Federal Poverty Guidelines.

## Get Your Free Phone

Discover if you are eligible for a free cell phone and free monthly minutes from Q Link Wireless provided through the Government's Lifeline support program.

[www.QlinkWireless.com](http://www.QlinkWireless.com)  
Call 1-855-QLINK43

## Includes:

- ✓ Texting
- ✓ National Long Distance
- ✓ Local Calls
- ✓ Voice Mail

**250**

FREE Minutes  
Every Month!



Lifeline support is limited to one per household on wireline or wireless service. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Proof of participation in eligible programs/annual household income required for enrollment.

Q Link Wireless provides FREE cell phone service and FREE Monthly Minutes through the Government's Lifeline program to qualifying families and individuals. Visit [www.qlinkwireless.com](http://www.qlinkwireless.com) or call 1-855-QLINK43 to see if you qualify.

**EXHIBIT C**

**Financial Statements**

**CONFIDENTIAL AND PROPRIETARY**

# QUADRANT HOLDINGS CORP

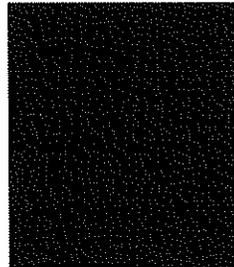
## BALANCE SHEET

As of Sept 30, 2011

### ASSETS

#### Current Assets

Cash & Cash Equivalents  
Q Link Wierless Investment  
Trade Accounts Receivable  
Inventory  
Prepaid Expenses and Deposits  
Deferred Costs  
Other Current Liabilities



Total Current Assents

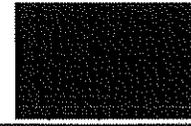


### FIXED ASSETS

Property and Equipment  
Right of Access  
Goodwill



Total Fixed Assets



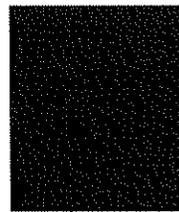
Total Assets

\$ 

### LIABILITIES AND SHAREHOLDER'S EQUITY

#### Current Liabilities

Accounts Payable  
Customer Deposits  
Deferred Revenue  
Current Portion of Deferred Lease Inducements  
Current Portion of Obligations Under Capital Lease  
Deferred Lease Inducements



Total Liabilities



#### Shareholder's Equity

Share Capital  
Contributed Surplus  
Net Income or Loss



Total Liabilities & Capital

\$ 

# QUADRANT HOLDINGS CORP

## STATEMENT OF OPERATIONS, PROFIT & LOSS

As of Sept 30, 2011

Revenues		
Cost of Sales		
<hr/>		
Gross Profit		
Expenses		
Sales and Marketing		
General Administrative		
Amortization		
Interest Expense		
Other Expense		
<hr/>		
Total Expenses		
Net Income		\$

**EXHIBIT D**

**Key Management Resumes**

# Issa Asad

*Issa Asad is the President & CEO or Managing Member of Various Companies (Quadrant Holdings Group LLC, Q Link Wireless, NCOM Networks, RTN Networks, Reliable Telecard), these are some of the nation's premier telecommunications providers in the United States today, representing VoIP, wireless and prepaid service providers, manufacturers and suppliers in the new world of Internet-based and wireless communications and entertainment.*

*A respected Telecom veteran with more than 15 years' experience in telecommunications, Mr. Asad joined the Telecommunications industry in 1996 and has led the organization's growth into the top telecommunications providers in the nation. Intelecard News magazine has profiled Mr. Asad as a telecommunications executive with "real vision." The Prepaid Press newspaper has featured Mr. Asad as a "Telecom Mover of the Month" and labeled him as a "playmaker" - one of the "top telecommunications executives" in United States. He has been recognized by Who's Who in Telecom.*

*Prior to establishing his footprint in the Prepaid Telecommunications industry, Mr. Asad served as President & CEO of the South Florida Grocers Network.*

*Companies and their owners who endure in the prepaid industry are worthy of recognition because they are rare. As CEO and owner of Reliable Telecard and I-Prepay Inc, Issa Asad began in retail as an owner, operator and developer of convenience stores and gas stations in New York and Florida.*

*Considered a pioneer, he was the first station owner to implement fast food into service offerings, beginning with Fine Foods. Asad also led the grocers industry to incorporate ATMs, convenience stores and Check Cashing stores into grocery's and stations.*

*In 1996, he realized the potential of phone cards to the immigrant market and began offering phone cards from his stores. By the late 90s, prepaid wireless was emerging and, with his retail background, Asad knew the long-term play was electronic delivery. In the spring of 2000, he teamed with Reliable Telecard and I-Prepay Inc and developed a real-time PIN delivery system for the electronic delivery of prepaid products.*

*There he led a broad market restructuring that resulted in record sales and revenues, increased stature for the industry, and significant telecom marketing victories.*

# ISSA ASAD

E-mail: [issa@qlinkwireless.com](mailto:issa@qlinkwireless.com)

499 East Sheridan St Suite 301  
Dania FL 33004

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## SENIOR EXECUTIVE SUMMARY

Entrepreneur and senior sales executive with 15 year accomplished track known throughout the prepaid and telecom industry for delivering and sustaining revenue and profit gains within highly competitive domestic and international prepaid products, including domestic and international prepaid telephone and wireless calling cards and national distribution channels markets. By age 30, had pioneered what is now a multi-hundred million dollar a year Prepaid industry. Practical experience in and solid understanding of a diverse range of business management applications, including market analysis, sales and marketing, team-building and quality assurance. Demonstrated ability to select, train and retain self-motivated customer-oriented employees. Exceptional problem-solving skills, keen client needs assessment aptitude, high-caliber presentation, negotiation and closing skills.

- Strategic & Tactical Planning
- Mergers & Acquisition
- Strategic Partnerships & Alliance
- Broker / Vendor Relations
- Business Expansion & Startups
- Staff Management & Development
- Sales Presentations / Closing
- Account Development / Acquisition

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## PROFESSIONAL EXPERIENCE

### QUADRANT HOLDINGS GROUP LLC – DANIA FL

**Managing Member**, January 2011 – present

*Quadrant Holdings is a holding company that serves as the Managing Member entity of Q LINK WIRELESS LLC.*

### Q LINK WIRELESS LLC – DANIA, FL

**Co-Founder**, January 2011 – present

*Q LINK WIRELESS LLC provides a government assisted wireless service. Q LINK offers a discount benefit to low income families and individuals via wireless services in place of older technologies like landline phone service.*

- Develop and evolve the sales model including strategy, process, partnerships, organization, and execution to deliver financial and market share goals
- Design, architect and implement an optimized sales model that enables the company to achieve sustained profitable growth
- Recruit, train and manage results-orientated staff of professional managers to oversee sales and marketing efforts

### IPREPAY, INC. – MIAMI, FL

**VP of Sales & Co-Founder**, January 2000 – 2008

*Provides wholesale long distance, prepaid point of sale services including; prepaid wireless, prepaid calling cards, bill pay, FTD flowers and an array of stored value products and services to carriers and end-users. Its point-of-sale technology and services are a sensible alternative to paying the increasingly recurrent infrastructure expenses necessary in the world of exponentially-improving telecom networks. The company now serves as a one-stop-shop for all prepaid products.*

- Develop and evolve the sales model including strategy, process, partnerships, organization, and execution to deliver financial and market share goals
- Design, architect and implement an optimized sales model that enables the company to achieve sustained profitable growth
- Recruit, train and manage results-orientated staff of professional managers to oversee sales and marketing efforts
- Increased 2004 gross revenues from \$\_\_M to 2005 run-rate of \$75M.

## **X CHANGE COMMUNICATIONS – MIAMI, FL**

### **Strategic Business Partner, 2000 – 2008**

*This company is a powerhouse, with over 150 employees in a 40,000 square foot office campus in Miami, Florida. X Change has the capacity to handle 8 billion calling minutes per month through a system that is beyond state of the art. Even more amazing, that system was completely designed and developed by strategic partners and own in-house software engineers.*

- Facilitated partnership with top carriers
- 1<sup>st</sup> year partnership Revenues exceeded \$85M

## **RELIABLE TELECARD – MIAMI, FL**

### **CEO, President and Founder, 2000 - Present**

*A leading provider of wholesale and retail telecommunications services. Reliable Telecard uses its own network infrastructure to route calls worldwide. The company's prepaid retail cards (currently topping 100 brands) are available at over 250,000 points of sale nationwide.*

- Grew and maintain client base of 9,000 agents and 300 worldwide outlets
- Manage a staff of 150 employees
- Gross annual profits exceeding \$50 M

## **PREPAID TECHNOLOGIES – MIAMI, FL**

### **CEO, President and Founder, 1996-2001**

*Prepaid Technologies is aligned with qualified national processors and has issued cards through a variety of national banks. Prepaid Technologies provides host-based stored value cards that are packaged and marketed as many diverse products such as a gift card, travel card, payroll card, incentive reward card, student card, e-card, vendor payment card and expense card.*

- Responsible for securing national prepaid distribution channels
- 1<sup>st</sup> year profits exceeding \$600K

## **WORLDCOM – MIAMI, FL**

### **Director of Sales 1995 -1996**

*Facilities-based network operator managing one of the world's largest communications network systems. One of the largest carriers of international voice traffic operating a leading Internet protocol backbone system.*

- Secured exclusive prepaid phone card deal with Michael Jordan generating over \$1B in gross revenues with over \$350 Million in profits during the 1<sup>st</sup> year

## **FINE FOODS SUPERMARKETS – MIAMI, FL**

### **CEO, President and Founder, 1991-1999**

- Designed, developed, opened and maintain 12 retail chain grocery stores

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## **INDUSTRY PUBLICATIONS AND ACKNOWLEDGEMENTS**

Intele-Card News Magazine:	Acknowledged and interviewed in 48 issues since 2000.
Phone Plus:	Acknowledged and interviewed in 10 issues since 2002.
Convenience Store Decisions:	Acknowledged and interviewed in both 1997 and 1998.
Convenience Store News:	Acknowledged and interviewed in both 1997 and 1998.
Vending Times:	Acknowledged and interviewed in 1995.

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## **EDUCATION**

### **FLORIDA INTERNATIONAL UNIVERSITY – MIAMI, FL**

B.A., Business, May 1995

A.A., Science, May 1995

## EXHIBIT E

### Proposed Lifeline Rate Plans

#### **Plan 1: 68 Monthly Minutes Plan\***

68 anytime minutes per month

(texts are one-third of one minute, i.e. 3 texts = 1 minute)

Net cost to Lifeline customer: **\$0 (free)**

\*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 68 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance
- Free International Long Distance to countries designated at [www.qlinkwireless.com](http://www.qlinkwireless.com) (listed below)

#### **Plan 2: 125 Monthly Minutes Plan\***

125 anytime minutes per month

(texts are one minute, i.e. 1 text = 1 minute)

Net cost to Lifeline customer: **\$0 (free)**

\*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 125 anytime minutes (unused minutes rollover)
- Free Domestic Long Distance

#### **Plan 3: 250 Monthly Minutes Plan\***

250 anytime minutes per month

(texts are one minute, i.e. 1 text = 1 minute)

Net cost to Lifeline customer: **\$0 (free)**

\*This package includes:

- Free handset
- Free calls to Customer Service
- Free calls to 911 emergency services
- Free Voicemail, Caller-ID, and Call Waiting
- 250 anytime minutes (unused minutes *do not* rollover)
- Free Domestic Long Distance

## International Long Distance

### **Free International Calling Destinations on the 68 Monthly Minutes Plan**

(Certain special or off-network locations may be excluded from the Free International Long Distance. Calls to cellular phones are not included unless the word "Cellular" is specifically listed next to the country name. Numbers in parentheses () indicate the Country Code.)

Albania-Tirana (355)	France (33)	Mexico (52)
Andorra (376)	French Antilles (594)	Monaco (377)
Argentina (54)	French Guiana-Cellular (594)	Netherlands (31)
Australia (61)	French Guiana (594)	New Zealand (64)
Austria (43)	Georgia (995)	Norway (47)
Bahamas-Cellular (1)	Germany (49)	Panama (507)
Bahamas (1)	Gibraltar (350)	Paraguay (595)
Bangladesh-Cellular (880)	Greece (30)	Peru (51)
Bangladesh-Chittagong (880)	Guadeloupe (590)	Poland (48)
Bangladesh-Dhaka (880)	Guatemala-Telgua (502)	Portugal (351)
Bangladesh-Sylhet (880)	Hong Kong-Cellular (852)	Romania (40)
Belgium (32)	Hong Kong (852)	Russia-Cellular (7)
Bermuda-Cellular (1)	Hungary (36)	Russia (7)
Bermuda (1)	Iceland (354)	San Marino-Cellular (378)
Bolivia-La Paz (591)	India-Cellular (91)	San Marino (378)
Bolivia-Santa Cruz (591)	India (91)	Saudi Arabia-Riyadh (966)
Brazil (55)	Indonesia-Cellular (62)	Singapore-Cellular (65)
Brunei-Cellular (673)	Indonesia-Jakarta (62)	Singapore (65)
Brunei (673)	Indonesia-Surabaya (62)	Slovakia (421)
Bulgaria (359)	Iraq-Baghdad (964)	Slovenia (386)
Canada-Cellular (1)	Ireland (353)	South Korea-Cellular (82)
Canada (1)	Israel (972)	South Korea (82)
Chile (56)	Italy (39)	Spain (34)
China-Cellular (86)	Japan (81)	Sweden (46)
China (86)	Jordan (962)	Switzerland (41)
Columbia-Cellular (57)	Kazakhstan (7)	Taiwan-Cellular (886)
Columbia (57)	Kenya-Nairobi (254)	Taiwan (866)
Costa Rica (506)	Lithuania (370)	Thailand (66)
Croatia (585)	Luxembourg-Cellular (352)	Turkey (90)
Cyprus-Cellular (357)	Luxembourg (352)	United Kingdom (44)
Cyprus (357)	Macao-Cellular (853)	Uzbekistan (7)
Czech Republic (420)	Macao (853)	Venezuela (58)
Denmark (45)	Malaysia-Cellular (60)	Vietnam-Ho Chi Minh City (84)
Dominican Republic (1)	Malaysia (60)	Zambia (260)
Estonia (372)	Malta (356)	
Finland (358)		

**EXHIBIT F**

**Terms and Conditions**

## Q LINK WIRELESS™ Terms and Conditions of Service

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Please read these Q LINK WIRELESS LLC Terms and Conditions of Service carefully. These Q LINK WIRELESS LLC Terms and Conditions of Service are a legally binding agreement between you and Q LINK WIRELESS LLC. They contain important information about your legal rights and require that certain disputes be resolved through Arbitration instead of a court trial. Q LINK WIRELESS LLC reserves the right to change or modify any of these Q LINK WIRELESS LLC Terms and Conditions of Service at any time and at its sole discretion. Any changes or modifications to these Q LINK WIRELESS LLC Terms and Conditions of Service will be binding upon you once posted on the Q LINK WIRELESS LLC website on our website. You should check the Q LINK WIRELESS LLC website regularly for updates to these terms.

By enrolling in the Q LINK WIRELESS Program (the “Q LINK WIRELESS Program” or “Q LINK Program”) and by using the Q LINK WIRELESS service (the “Q LINK WIRELESS Service” or “Q LINK Service”), you (“You”), the participant, acknowledge and agree to the following terms and conditions:

### 1. Q LINK WIRELESS PROGRAM DESCRIPTION.

Q LINK WIRELESS Service is funded by the Universal Service Fund Lifeline program and administered by the Universal Service Administrative Company. In order to qualify for enrollment in the Q LINK WIRELESS Program, a person must meet certain eligibility requirements set by each state where the Q LINK Program is offered. These requirements are based on a person's participation in a state or federal support program(s) or by meeting certain income requirements based upon the Income Poverty Guidelines as defined by the US Government. Federal law limits the availability of the Q LINK Program. The Q LINK Program allows **one (1)** enrollment per “household”. The Q LINK Program permits only one Lifeline benefit per household, therefore, no person currently living in the household may receive Lifeline benefits from any other Lifeline program. Applicants for the Q LINK Program must complete an application form, provide supporting documentation that they meet the eligibility requirements and certify, under penalty of perjury, that they:

- Are eligible for and currently receive benefits from the public assistance program(s) identified in the application form.
- Do not currently receive Lifeline support for a telephone line serving their residential address and no other resident in their household participates in the Lifeline program. If the applicant is already participating in another Lifeline program, then the applicant agrees to cancel their current household Lifeline support provider in order to enroll in the Q LINK Program.
- Will notify Q LINK WIRELESS by calling 1-855-QLINK43 (1-855-754-6543) - if and when they no longer qualify for any of the public assistance programs identified in their application form.
- Will notify Q LINK WIRELESS of any change of address by calling 1-855-QLINK43 (1-855-754-6543).
- Reviewed the information contained in their application and it is true and correct to the best of their knowledge and belief. Applicants who qualify and are enrolled in the Q LINK Program will receive a free cellular phone provided by Q LINK WIRELESS together with a free allotment of minutes each month for up to one year. Q LINK WIRELESS will determine at its sole discretion whether an applicant meets the eligibility requirements to participate in the Q LINK Program. The monthly minutes provided by the Q LINK Program will vary from state to state. Please call Q LINK WIRELESS at 1-855-QLINK43 (1-855-754-6543) or visit our website for further information.

Applicants who do not meet the eligibility requirements will receive written notification, via US Mail, of the reason for their non-eligibility. Upon enrollment in the Q LINK Program, you will be qualified to participate for up to one (1) year. To continue your enrollment in the Q LINK Program after the initial year, you must verify annually that you are qualified for continued enrollment in the Q LINK Program as required by your state Public Service Commission, Public Utility Commission or other agency administering the Q LINK Program in your state. Q LINK WIRELESS will also conduct verification drives for each state according to its rules. If Q LINK WIRELESS determines during its verification drive, or at any other time, that a customer fails to continue to qualify for the Q LINK Program, such customer will immediately be deemed ineligible to participate in the Q LINK Program, will be de-enrolled from the Q LINK Program and will no

longer receive the free monthly minutes. Q LINK Customers who are no longer eligible (for any reason) for enrollment in the Q LINK Program must immediately notify Q LINK WIRELESS that they no longer meet the eligibility requirements for enrollment. A Q LINK customer's enrollment may also be cancelled upon the request of a state and/or federal authority.

Q LINK WIRELESS reserve the right to cancel the enrollment of any customer and/or permanently deactivate any customer's Q LINK WIRELESS phone for fraud, misrepresentation or other misconduct as determined solely by Q LINK WIRELESS. While participating in the Q LINK Program, a customer shall not be permitted to sell, rent, give away or in any way allow another person to use the cellular phone or Q LINK Service provided to him/her by Q LINK WIRELESS. IT IS A VIOLATION OF FEDERAL AND STATE LAW TO SELL OR GIVE AWAY THE Q LINK CELLULAR PHONE OR Q LINK SERVICE PROVIDED TO YOU BY Q LINK WIRELESS. Any violation of this prohibition will be reported to the appropriate legal authorities for prosecution. In addition, if Q LINK determines, in its sole discretion, that a Q LINK WIRELESS customer has violated these prohibitions, Q LINK WIRELESS will then permanently de-enroll the customer from the Q LINK Program, their phone will be permanently deactivated and the customer's personal information will be permanently flagged so that the customer may not re-enroll in the Q LINK Program in the future. If you have any questions, concerns, comments or complaints regarding the Q LINK Program or Service, offerings or products, please call Q LINK WIRELESS Customer Care at 1-855-QLINK43 (1-855-754-6543). You may also contact your state's Public Service Commission/Public Utility Commission.

## 2. ACTIVATION AND USE OF YOUR Q LINK WIRELESS PHONE.

Upon enrollment in the Q LINK Program, you will receive a pre-activated Q LINK WIRELESS phone delivered to your home address noted in the application. You must accept the Q LINK WIRELESS telephone number assigned to your Q LINK WIRELESS phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The WIRELESS telecommunications networks used to transmit calls for the Q LINK WIRELESS Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"). The number assigned to your Q LINK WIRELESS phone at the time of activation will not be changed for any reason unless required by a Carrier or if the number is lost following the deactivation of your phone. You may not select a number to be assigned to your Q LINK WIRELESS phone. Your Q LINK WIRELESS phone can only be used through Q LINK WIRELESS, and cannot be activated with any other WIRELESS or cellular service. Q LINK WIRELESS Services are provided at Q LINK WIRELESS' discretion. Some functions and features referenced in the Manufacturer's manual provided with your Q LINK WIRELESS phone may not be available on your Q LINK WIRELESS handset. Q LINK WIRELESS may modify or cancel any Q LINK Service or take corrective action at any time without prior notice and for any reason, including but not limited to your violation of these terms and conditions of service.

## 3. MINUTE RATES, USAGE AND INCLUDED MONTHLY MINUTES.

While you are enrolled in the Q LINK Program, you will receive a free monthly allotment of minutes as provided for the Q LINK Program approved in your state and the minute Plan that you select. Q LINK WIRELESS Minute is issued in minute (or unit) increments. Units are deducted from the Q LINK WIRELESS phone at a rate of one (1) unit per minute or partial minute of use. There is no additional charge for nationwide long distance. If you are on Plan 1, there is no additional charge for international long distance to countries designated on our website. Q LINK offers three plans that are currently available to all new and existing Q LINK customers. Each plan offers different benefits, features and carryover options. The three Plans that are currently available are:

	<b>Free Monthly minutes Included in Plan</b>	<b>Unused minutes Carryover Each Month</b>	<b>Text Message Charge*</b>	<b>Free International Long Distance</b>	<b>Voicemail Caller ID Call Waiting</b>
<b>Plan 1</b>	68 in all states	Yes	3 Texts/1 Minute	Yes	Yes
<b>Plan 2</b>	125	Yes	1 Text/1 Minute	No	Yes

<b>Plan 3</b>	250	No**	1 Text/1 Minute	No	Yes
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\*These text-messaging rates will apply even if a different text-messaging rate is stated on minute cards.

\*\*With Plan 3, your phone will reset to 250 minutes each month when your monthly minutes are delivered. Unused minutes will not automatically carry over to the next month. You may carry over unused minutes on this plan for up to three consecutive months if you purchase and add minutes from a Q LINK Minute Card. By purchasing and adding a Q LINK Minute Card your unused minutes (including your free monthly allotment and any additional Q LINK Minute Cards) will carry over for three consecutive months from the date of your last Q LINK Minute Card redemption. Adding more than one Minute Card at the same time will NOT extend your minute carry over for more than the three consecutive months. The 3 month carry over is effective from the date of redemption of the last Minute Card redeemed to your phone.

New Q LINK customers must choose a plan upon enrollment. Existing Q LINK customers who wish to switch plans may do so online or by calling 1-855-QLINK43 (1-855-754-6543). If you switch plans before the 25th day of any given month, the change will be effective the following month. If you switch plans on or after the 25th day of the month, the change will be effective in the second month following your request to switch plans. You may use your free monthly allotment of minutes to place or receive calls, to send or read text messages or multi-media messages and to access the internet (with certain models of phones). In order to receive your monthly allotment of minutes, you will need to leave your Q LINK WIRELESS phone powered "ON" during the first few days of each month. If you DO NOT receive your monthly allotment of minutes because your phone was not "ON" at the beginning of the month or your phone does not automatically retrieve minutes when powered "ON" you may self-retrieve by following the instructions below. If for any reason these instructions do not work on your handset, please call us.

Minutes will be deducted for all time during which your Q LINK WIRELESS phone is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send," "call" or other key to initiate or answer a call and does not end until you press the "end" key or the call is otherwise terminated. Minutes are deducted for all incoming and outgoing calls, including incoming call waiting calls, simultaneous calls, calls to toll free numbers, 411, 611, Customer Care, and to access your voice mail. For simultaneous calls, such as incoming call waiting and 3-way calling (where available) minutes will be deducted for each call. Minutes are **not** deducted for calls to 911, and all handsets will be able to call 911 even if they have no minutes remaining. Customers in the State of Washington will not be charged for calls to Customer Care if they dial 611 directly from their handset. For outbound calls, you may be charged Minutes for incomplete and/or busy-no answer calls. Minutes will be deducted for use of other services such as text messaging and accessing the Q LINK WIRELESS Mobile Web ("WAP"). No credit or refund is given for dropped calls.

#### **4. TEXT MESSAGING.**

You may use your free monthly allotment of minutes to send and/or open text messages. Text messages sent to you by Q LINK WIRELESS are free of charge. The charge to send or open an incoming text message using your Q LINK WIRELESS phone will vary depending upon your plan. Under Plan 1, you will be charged 0.3 minute per text message for sending and 0.3 minute per text message for opening a received text message. Under Plans 2 and 3, you will be charged 1 minute per text message for sending and 1 minute per text message for opening a received text message. If you have exhausted your free monthly allotment of minutes, you will need to purchase and redeem additional minutes in order to continue to send text messages and open incoming text messages and to place and receive voice calls. If you do not want minutes deducted from your Q LINK WIRELESS phone for text messaging, then do not send text messages or open incoming text messages. Q LINK WIRELESS does not allow international text messages. Attempting to send international messages could result in service deactivation and de-enrollment from the Q LINK Program. Please note that Q LINK WIRELESS does not generally participate in Premium SMS services or campaigns. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns unless it is a Q LINK WIRELESS authorized campaign. Any text message you send to a "short code" will in all likelihood not go

through. Any charges you may incur because of any attempts to participate in Premium SMS services or campaigns not authorized by Q LINK WIRELESS are not refundable whether you incur charges as deductions from your Q LINK WIRELESS phone or from your credit card. You may purchase from Q LINK WIRELESS ring tones, graphics and certain information services. You may utilize multi-media services with certain Q LINK WIRELESS models of phones. See Q LINK WIRELESS Data Services below for more information.

**5. INTERNATIONAL CALLING.**

International calling is available. If you selected an International Plan, You may use your Q LINK WIRELESS phone to make international calls to landlines and some cellular phones in some countries at no additional charge (see website for available countries and details). The countries where international calling is available are subject to change at any time without prior notice. In order to place an international call, you will need to dial the International Long Distance (“ILD”) access number and follow the instructions. Minute deductions for international calls begin the moment the ILD access number is dialed and apply to dropped calls, misdialed numbers and busy destination numbers. When placing international calls, you may experience connection failures more frequently than calls made within the United States. Q LINK WIRELESS will not credit minutes deducted for unsuccessful calls. You will not be able to make or receive calls on your Q LINK WIRELESS phone when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands (the “Coverage Area”). Any attempt to make or receive calls when you are located outside of the Coverage Area could result in service deactivation and de-enrollment from the Q LINK Program.

**6. MINUTE CARDS.**

Your Q LINK WIRELESS phone will only operate when you have minutes available on the Q LINK WIRELESS phone. If you run out of your free monthly allotment of airtime, you may purchase and add additional Minute to your phone. See the instructions above for adding airtime. Q LINK WIRELESS customers may purchase and use any Q LINK WIRELESS Minute cards, including unlimited minutes for a specified time period Minute cards, for their Q LINK WIRELESS phone. Each Q LINK WIRELESS Minute card includes a set number of minutes and service days that begin to run from the date you add the Minutes to your Q LINK WIRELESS phone. Bonus and promotional minutes will not increase with any Q LINK WIRELESS Unlimited Minute cards. Q LINK reserves the right to modify, adjust and/or eliminate the extra Bonus minutes at any time in its discretion. Q LINK customers may purchase Minutes at the rate of 10¢ or less per unit. Q LINK reserves the right to adjust its Minute rates at any time in its sole discretion. For each Q LINK WIRELESS airtime, card or PIN purchased at our regular price and added to a Q LINK phone, the Q LINK customer will receive the following:

Minutes on Face of Q Link Card	Service Days	Price of Card	Rate Per Minute
50	30	\$9.99	.20
120	30	\$19.99	.17
200	30	\$29.99	.15
450	30	\$59.99	.13
One WEEK UNLIMITED Service Card	7	\$15.99	N/A
Two WEEK UNLIMITED Service Card	14	\$25.99	N/A

## **7. SERVICE END DATE, DEACTIVATION AND REACTIVATION.**

As a Q LINK WIRELESS customer, you will receive 365 service days upon your enrollment and activation in the Q LINK Program and another 365 service days following each successful annual verification for your continued program eligibility in the Q LINK Program. If you fail to complete your annual verification within 90 days of the required verification date, you will be de-enrolled from the Q LINK Program. Upon de-enrollment from the Q LINK Program, you will cease receiving the free monthly allotment of airtime. If you are de-enrolled, your phone will remain active and you may continue to use your phone so long as you have available minutes and service days remaining on your phone. You may purchase Minute and service days to keep your phone service active. If you are de-enrolled from the Q LINK Program and you allow your remaining service days to expire or go "past due," your phone service will be deactivated, you may lose your unused minutes **and you will lose your wireless telephone number. If you choose to reactivate your phone by completing the annual verification within 60 days after your verification due date, you will be re-enrolled in the program and continue receiving the free monthly allotment of airtime.**

If your service is deactivated, you may reactivate your service by either re-enrolling in the Q LINK Program (if eligible) or purchasing and redeeming a Q LINK WIRELESS Minute card with service days. Upon reactivation of your phone, you may be assigned a new telephone number. Any minutes remaining on your handset at the time of deactivation will be reinstated if your phone is reactivated within 60 days from the deactivation date. If your phone remains inactive for more than 60 days, you will lose any remaining airtime. If you have been de-enrolled from the Q LINK Program and are not eligible to re-enroll but you wish to keep your service active, you must purchase and redeem additional Minute and service days before the "Service End Date" displayed on your phone. To prevent any interruption in your phone service, please keep your handset service active by timely completing your annual verification as required by the Q LINK Program or, if no longer eligible, by purchasing and adding Q LINK Minute cards before your Service End Date.

**"No Usage" De-Enrollment and Deactivation:** Regardless of the Service End Date displayed on your handset, if you exceed 2 months without any Usage (as defined in this section), you will be de-enrolled from the Q LINK Program. "Usage" is defined as any transaction including, but not limited to, making or receiving a call, sending or opening a text message, downloading data content, adding Minutes or receiving your free monthly airtime. Upon de-enrollment for non-Usage, you will have up to a 30-day grace period to reenroll in the Q LINK Program by calling 1-855-QLINK43 (1-855-754-6543). If you do not re-enroll, use your phone or call Q LINK Customer Care within 30 days of your de-enrollment, your phone service will be deactivated. In order to reactivate your Q LINK phone and re-enroll in the Q LINK Program, you will need to call Q LINK Customer Care. Upon successful re-enrollment, you will receive the monthly minutes that you were entitled to receive through the date your enrollment was cancelled. You will not, however, receive any minutes for the period of time you were not enrolled in the Q LINK Program. In addition, you will be assigned the service days displayed on your handset, which are the days you were granted when first enrolled in the program.

## **8. OUR RIGHT TO TERMINATE YOUR Q LINK WIRELESS SERVICE.**

You agree not to give away, resell or offer to resell the Q LINK Phone or Service provided by the Q LINK Program. You also agree your Q LINK Phone will not be used for any other purpose that is not allowed by this agreement or that is illegal. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE AND DE-ENROLL YOU FROM THE Q LINK PROGRAM FOR VIOLATING THIS PROVISION OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if you: (a) violate any of the terms and conditions of service; (b) lie to us or attempt to defraud us; (c) allow anyone to tamper with your Q LINK Phone; (d) threaten or commit violence against any of our employees or customer service representatives; (e) use vulgar and/or inappropriate language when interacting with our representatives; (f) steal from us; (g) harass our representatives; (h) interfere with our operations; (i) engage in abusive messaging, emailing or calling; (j) modify your device from its manufacturer's specification; or (k) use the service in a way that adversely affects our network or the service available to our other customers. We reserve the right to, without notice, limit, suspend or end your service for any other operational or

governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., selling or giving away your Service; threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

#### **9. UNAUTHORIZED USAGE; TAMPERING.**

The Q LINK WIRELESS handset is provided exclusively for use by you, the end consumer with the Q LINK WIRELESS Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your Q LINK WIRELESS handset, including without limitation, any resale, unlocking and/or re-flashing of the handset is unauthorized and constitutes a violation of your agreement with Q LINK WIRELESS. You agree not to unlock, re-flash, tamper with or alter your Q LINK WIRELESS phone or its software, enter unauthorized PIN's, engage in any other unauthorized or illegal use of your Q LINK WIRELESS phone or the Service, or assist others in such acts, or to sell and/or export Q LINK WIRELESS handsets outside of the United States. These acts violate Q LINK WIRELESS' rights and state and federal laws. Improper, illegal or unauthorized use of your Q LINK WIRELESS phone is a violation of this agreement and may result in immediate discontinuance of Services and legal action against you. Q LINK WIRELESS will prosecute violators fully of the law. You agree that any violation of this agreement through your improper, illegal or unauthorized use or sale of your Q LINK WIRELESS phone shall entitle Q LINK WIRELESS to recover liquidated damages from you in an amount of not less than \$5,000 per Q LINK WIRELESS handset purchased, sold, acquired or used in violation of this agreement.

Some Q LINK WIRELESS handsets have SIM cards. If your Q LINK WIRELESS phone has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to allow any other person to, directly or indirectly alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card. You may not remove your SIM Card from your phone nor place the SIM Card in any other phone. Doing so could result in the immediate termination of your service and de-enrollment from the Q LINK Program. The Carriers, Q LINK WIRELESS, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card. Your Q LINK WIRELESS phone is restricted from operating when you are located anywhere outside of the United States, Puerto Rico or the U.S. Virgin Islands, including offshore or in international waters. In the event of suspension for this or any other unauthorized usage, you will not be entitled to receive any refunds for unused airtime.

#### **10. COVERAGE MAPS AND ROAMING.**

You will find coverage maps on our website. These maps are for general informational purposes only. Actual coverage and service areas may vary from the maps and may change without notice. Q LINK WIRELESS does not guarantee coverage or service availability. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. "Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming most often occurs when you make and receive calls outside of the network coverage area of your service provider. When your Q LINK WIRELESS phone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. There are no additional charges for domestic roaming calls for the Q LINK WIRELESS phone you were provided. Availability, quality of coverage and Services while roaming are not guaranteed.

#### **11. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT.**

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. At any time, Q LINK WIRELESS reserves the right to substitute and/or replace any Q LINK WIRELESS equipment (including handsets) with other Q LINK WIRELESS equipment including handsets of comparable quality. Some functions and features referenced in the Manufacturer's manual for a particular

Q LINK WIRELESS handset may not be available on your phone. Q LINK WIRELESS does not warrant or guarantee availability of network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither Q LINK WIRELESS, nor any Carrier, shall have any liability for service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your Q LINK WIRELESS phone outside during a lightning storm. You should also unplug the Q LINK WIRELESS phone power cord and charger to avoid electrical shock and/or fire during a lightning storm.

#### **12. WARRANTY EXCHANGE AND LOST OR STOLEN PHONE POLICY.**

**Limited Warranty Exchange Policy:** Q LINK WIRELESS customers shall have up to one year from the activation date of their phone to return any defective phone to Q LINK WIRELESS. Q LINK WIRELESS will exchange a defective phone for a new or refurbished phone, at Q LINK s' discretion, during this period only pursuant to the terms of the Limited Warranty set forth below. For a defective phone replacement, call Q LINK WIRELESS Technical Customer Service.

**13. Lost or Stolen Phone Policy:** For any lost or stolen Q LINK WIRELESS phone, you may request and receive only one replacement phone per customer. The replacement phone will be a refurbished phone. All reported lost and stolen phones will be permanently deactivated. The replacement phone will include only 10 minutes of lost airtime. Any additional Minutes that you may have had on your lost phone will not be replaced. In the event you lose your replacement phone or it is stolen, you will need to purchase an additional phone. If a phone is lost or stolen while in transit to the customer before the customer receives the phone, the lost phone and minutes may be replaced as a onetime courtesy in Q LINK's sole discretion.

#### **14. DISCLAIMER OF WARRANTIES.**

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, THE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

#### **15. HEARING, VISUAL OR SPEECH IMPAIRED ACCOMMODATIONS.**

Any hearing, visual or speech impaired persons interested in applying for a specially equipped Q LINK WIRELESS must call Q LINK WIRELESS and specify the need(s) to an agent and Q LINK WIRELESS will make every effort to assist such customer in obtaining a handset that is in compliance with all applicable laws, rules, and regulations.

#### **16. EMERGENCY CALLS.**

Q LINK WIRELESS customers have access to 911. Occasionally, however, callers may attempt to call 911 in areas where there is no wireless coverage. If there is no wireless coverage, your call to 911 may not go through and you should dial 911 from the nearest landline phone.

#### **17. DATA SERVICES.**

With certain Q LINK WIRELESS phone models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media messaging services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data Services") through our wireless Mobile Web ("WAP"). Data Services are additional Services offered by us at an additional charge in the form of a debit of minutes for your use of such services.

**Accessing and Purchasing Data Services.** In order to purchase, download or access Data Services,

your handset must have active service and sufficient available Minutes. Your handset will not let you open the WAP browser without a remaining minute balance of at least 10 minutes. Each time you access our wireless WAP with your handset's browser, 0.5 units per minute will be deducted from your handset ("Access Charges"). Access Charges are deducted in full minute increments. WAP access of less than 60 seconds is rounded up to the next full minute. Access Charges begin when your handset makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download, view subscribed Information Services or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your handset to open or close the browser.

In addition to the Access Charges, there will be an additional one-time charge for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content. You will be advised of the Content Charges prior to finalizing your purchase. The Data Services you purchase and download may only be used or viewed on the handset for which they were purchased and cannot be transferred to any other device, including a new or replacement handset.

**Modifications, Interruptions, or Discontinuation of Data Service.** Q LINK WIRELESS does not guarantee the availability of Data Services on all of its phone models nor does it guarantee the availability of Data Services at all times. Q LINK WIRELESS reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in certain areas. Q LINK WIRELESS is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, or any part thereof, for which you subscribe, are modified, interrupted, discontinued or canceled, you will not receive a refund or credit from Q LINK WIRELESS for any remaining used or unused subscription time. If you cancel or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with the terms and conditions set forth herein.

**18. LIMITATION OF LIABILITY.** Q LINK and Q LINK WIRELESS are not liable to you for any direct or indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and/or Services. Q LINK and Q LINK WIRELESS will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any service or equipment provided by or manufactured by third parties. When your Q LINK WIRELESS phone is returned to Q LINK WIRELESS for any reason, Q LINK WIRELESS is not responsible and shall not be liable to you or anyone else for any personal information such as user names, passwords, contacts, pictures, SMS, MMS and/or additional downloads you may have stored on your phone or which may remain on your phone.

**19. INDEMINIFICATION.**

You agree to indemnify and hold harmless Q LINK WIRELESS and All Affiliated or related companies from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a Q LINK WIRELESS phone and/or use of the Q LINK WIRELESS Services, whether based in contract or tort (including strict liability) and regardless of the form of action.

**20. BINDING ARBITRATION. PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION), EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED RESALE, EXPORT, ALTERATION, AND/OR**

**TAMPERING OF YOUR Q LINK WIRELESS PHONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF Q LINK WIRELESS™ AGREEMENT WITH YOU.**

This provision is intended to encompass all disputes or claims arising out of your relationship with Q LINK WIRELESS, arising out of or relating to the Q LINK Service or any equipment used in connection with the Q LINK Service (whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory). Nothing contained in this arbitration provision shall preclude Q LINK WIRELESS from bringing claims concerning the unauthorized resale, export, alteration, and/or tampering of your Q LINK WIRELESS phone, its software, the Q LINK Service and/or PIN numbers, in state or federal court. References to you and Q LINK WIRELESS include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns. All claims, except those excluded above, will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to Q LINK WIRELESS by contacting Customer Care to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules"), as modified by this agreement. You and Q LINK WIRELESS agree that use of the Q LINK Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. All issues are for the arbitrator to decide, including the scope of this arbitration clause, but the arbitrator is bound by the terms of this agreement. You and Q LINK WIRELESS agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide or representative basis. Further, you agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding, and if this preclusion of consolidated, class wide or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void. All fees and expenses of arbitration will be divided between you and Q LINK WIRELESS in accordance with the AAA Rules, except that Q LINK WIRELESS will reimburse you for the filing fee in the event you prevail in the arbitration. Each party will bear the expenses of its own counsel, experts, witnesses, and preparation and presentation of evidence. If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation of disputes in court, you waive to the fullest extent permitted by law, (i) the right to a trial by jury and (ii) any claims for punitive or exemplary damages. Unless Q LINK WIRELESS and you agree otherwise, the location of any arbitration shall be Dania, Florida. Except where prohibited by law, Q LINK WIRELESS and you agree that no arbitrator has the authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Neither you nor Q LINK WIRELESS shall disclose the existence, contents, or results of any arbitration, except to the extent required by law. Judgment on the award rendered may be entered by any court of competent jurisdiction.

This Agreement shall be construed under the laws of Florida, without regard to its choice of law rules, except for the arbitration provision contained in these Terms and Conditions, which will be governed by the Federal Arbitration Act. This governing law provision applies no matter where you reside, or where you use or pay for the Services.

**21. PRIVACY POLICY.**

To view the Q LINK WIRELESS Privacy Policy please refer to the Q LINK WIRELESS website.

**22. LIMITED WARRANTY.**

Your Q LINK phone is covered by a one year limited warranty, set forth below, administered by Q LINK. A reconditioned Q LINK phone also has a one year limited warranty provided by Q LINK and all Q LINK accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser. You may obtain warranty service directly from Q LINK.

How to obtain Warranty Service. To obtain warranty service from Q LINK on a new or reconditioned

phone or Q LINK accessories, please contact Technical Support from a landline or another phone in order to avoid using up your minutes. If your problem cannot be resolved over the phone, our Q LINK technicians will provide you with a Ticket Number, which you will use to send your phone and/or accessories to the designated Q LINK Service Center for repair or replacement, at Q LINK 's discretion.

Terms of Limited Warranty. Q LINK warrants to you, the Customer, that your Q LINK cellular phone ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

(1) The limited warranty for the Product extends for ninety (90) days beginning on the first date of activation of your phone.

(2) The limited warranty extends only to the original customer ("Consumer") of the Product.

(3) The limited warranty is not assignable or transferable to any subsequent end-user.

(4) During the limited warranty period, Q LINK will replace or repair, at Q LINK's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. Q LINK may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model of phone. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. Q LINK's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to Q LINK for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage. Q LINK shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of warranty.

(5) The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:

a) The Product has been subjected to abnormal use, abnormal conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, unauthorized connections, unauthorized repair, misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of Q LINK, including damage caused by shipping.

b) The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source.

c) Q LINK was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within ten (10) days after the expiration of the applicable limited warranty period.

d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.

e) The defect or damage was caused by the defective function of the cellular system or by inadequate signal reception by the external antenna, or viruses or other software problems introduced into the Product.

f) The Product is outside of the Limited Warranty period.

(6) Q LINK does not warrant uninterrupted or error-free operation of the Product or service. Q LINK cannot and does not guarantee that your communications will be private or secure; it is illegal for unauthorized people to intercept your communications, but such interceptions can occur.

(7) If a problem develops during the limited warranty period, the Consumer shall contact Q LINK Customer Care for repair or replacement processing of the Product. Q LINK shall, at its discretion, provide a replacement product that may consist of a refurbished phone of the same model if available, or of a comparable model.

(8) You (the Consumer) understand that the product may consist of refurbished equipment that contains used components, some of which have been reprocessed. The used components comply with Product performance and reliability specifications.

(9) Q LINK EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE

CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. Q LINK SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF Q LINK KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. Q LINK SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.

(10) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may have other rights, which vary from state to state.

(11) Q LINK neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.

(12) This is the entire warranty between Q LINK and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.

(13) This limited warranty allocates the risk of failure of the Product between the Consumer and Q LINK. The allocation is recognized by the Consumer and is reflected in the purchase price.

Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. Color of phones may vary. All talk and standby times are quoted in Digital Mode and are approximate.

Q LINK and Q LINK WIRELESS are registered trademarks of Q LINK WIRELESS, LLC. A subsidiary of Quadrant Holdings Group LLC.

**EXHIBIT N**

**Key Management Resumes**

# Issa Asad

*Issa Asad is the President & CEO or Managing Member of Various Companies (Quadrant Holdings Group LLC, Q Link Wireless, NCOM Networks, RTN Networks, Reliable Telecard), these are some of the nation's premier telecommunications providers in the United States today, representing VoIP, wireless and prepaid service providers, manufacturers and suppliers in the new world of Internet-based and wireless communications and entertainment.*

*A respected Telecom veteran with more than 15 years' experience in telecommunications, Mr. Asad joined the Telecommunications industry in 1996 and has led the organization's growth into the top telecommunications providers in the nation. Intelecard News magazine has profiled Mr. Asad as a telecommunications executive with "real vision." The Prepaid Press newspaper has featured Mr. Asad as a "Telecom Mover of the Month" and labeled him as a "playmaker" - one of the "top telecommunications executives" in United States. He has been recognized by Who's Who in Telecom.*

*Prior to establishing his footprint in the Prepaid Telecommunications industry, Mr. Asad served as President & CEO of the South Florida Grocers Network.*

*Companies and their owners who endure in the prepaid industry are worthy of recognition because they are rare. As CEO and owner of Reliable Telecard and I-Prepay Inc, Issa Asad began in retail as an owner, operator and developer of convenience stores and gas stations in New York and Florida.*

*Considered a pioneer, he was the first station owner to implement fast food into service offerings, beginning with Fine Foods. Asad also led the grocers industry to incorporate ATMs, convenience stores and Check Cashing stores into grocery's and stations.*

*In 1996, he realized the potential of phone cards to the immigrant market and began offering phone cards from his stores. By the late 90s, prepaid wireless was emerging and, with his retail background, Asad knew the long-term play was electronic delivery. In the spring of 2000, he teamed with Reliable Telecard and I-Prepay Inc and developed a real-time PIN delivery system for the electronic delivery of prepaid products.*

*There he led a broad market restructuring that resulted in record sales and revenues, increased stature for the industry, and significant telecom marketing victories.*

# ISSA ASAD

E-mail: [issa@qlinkwireless.com](mailto:issa@qlinkwireless.com)

499 East Sheridan St Suite 301  
Dania FL 33004

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## SENIOR EXECUTIVE SUMMARY

Entrepreneur and senior sales executive with 15 year accomplished track known throughout the prepaid and telecom industry for delivering and sustaining revenue and profit gains within highly competitive domestic and international prepaid products, including domestic and international prepaid telephone and wireless calling cards and national distribution channels markets. By age 30, had pioneered what is now a multi-hundred million dollar a year Prepaid industry. Practical experience in and solid understanding of a diverse range of business management applications, including market analysis, sales and marketing, team-building and quality assurance. Demonstrated ability to select, train and retain self-motivated customer-oriented employees. Exceptional problem-solving skills, keen client needs assessment aptitude, high-caliber presentation, negotiation and closing skills.

- Strategic & Tactical Planning
- Mergers & Acquisition
- Strategic Partnerships & Alliance
- Broker / Vendor Relations
- Business Expansion & Startups
- Staff Management & Development
- Sales Presentations / Closing
- Account Development / Acquisition

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## PROFESSIONAL EXPERIENCE

### **QUADRANT HOLDINGS GROUP LLC – DANIA FL**

**Managing Member**, January 2011 – present

*Quadrant Holdings is a holding company that serves as the Managing Member entity of Q LINK WIRELESS LLC.*

### **Q LINK WIRELESS LLC – DANIA, FL**

**Co-Founder**, January 2011 – present

*Q LINK WIRELESS LLC provides a government assisted wireless service. Q LINK offers a discount benefit to low income families and individuals via wireless services in place of older technologies like landline phone service.*

- Develop and evolve the sales model including strategy, process, partnerships, organization, and execution to deliver financial and market share goals
- Design, architect and implement an optimized sales model that enables the company to achieve sustained profitable growth
- Recruit, train and manage results-orientated staff of professional managers to oversee sales and marketing efforts

### **IPREPAY, INC. – MIAMI, FL**

**VP of Sales & Co-Founder**, January 2000 – 2008

*Provides wholesale long distance, prepaid point of sale services including; prepaid wireless, prepaid calling cards, bill pay, FTD flowers and an array of stored value products and services to carriers and end-users. Its point-of-sale technology and services are a sensible alternative to paying the increasingly recurrent infrastructure expenses necessary in the world of exponentially-improving telecom networks. The company now serves as a one-stop-shop for all prepaid products.*

- Develop and evolve the sales model including strategy, process, partnerships, organization, and execution to deliver financial and market share goals
- Design, architect and implement an optimized sales model that enables the company to achieve sustained profitable growth
- Recruit, train and manage results-orientated staff of professional managers to oversee sales and marketing efforts
- Increased 2004 gross revenues from \$\_\_M to 2005 run-rate of \$75M.

## **X CHANGE COMMUNICATIONS – MIAMI, FL**

### **Strategic Business Partner, 2000 – 2008**

*This company is a powerhouse, with over 150 employees in a 40,000 square foot office campus in Miami, Florida. X Change has the capacity to handle 8 billion calling minutes per month through a system that is beyond state of the art. Even more amazing, that system was completely designed and developed by strategic partners and own in-house software engineers.*

- Facilitated partnership with top carriers
- 1<sup>st</sup> year partnership Revenues exceeded \$85M

## **RELIABLE TELECARD – MIAMI, FL**

### **CEO, President and Founder, 2000 - Present**

*A leading provider of wholesale and retail telecommunications services. Reliable Telecard uses its own network infrastructure to route calls worldwide. The company's prepaid retail cards (currently topping 100 brands) are available at over 250,000 points of sale nationwide.*

- Grew and maintain client base of 9,000 agents and 300 worldwide outlets
- Manage a staff of 150 employees
- Gross annual profits exceeding \$50 M

## **PREPAID TECHNOLOGIES – MIAMI, FL**

### **CEO, President and Founder, 1996-2001**

*Prepaid Technologies is aligned with qualified national processors and has issued cards through a variety of national banks. Prepaid Technologies provides host-based stored value cards that are packaged and marketed as many diverse products such as a gift card, travel card, payroll card, incentive reward card, student card, e-card, vendor payment card and expense card.*

- Responsible for securing national prepaid distribution channels
- 1<sup>st</sup> year profits exceeding \$600K

## **WORLDCOM – MIAMI, FL**

### **Director of Sales 1995 -1996**

*Facilities-based network operator managing one of the world's largest communications network systems. One of the largest carriers of international voice traffic operating a leading Internet protocol backbone system.*

- Secured exclusive prepaid phone card deal with Michael Jordan generating over \$1B in gross revenues with over \$350 Million in profits during the 1<sup>st</sup> year

## **FINE FOODS SUPERMARKETS – MIAMI, FL**

### **CEO, President and Founder, 1991-1999**

- Designed, developed, opened and maintain 12 retail chain grocery stores

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## **INDUSTRY PUBLICATIONS AND ACKNOWLEDGEMENTS**

Intele-Card News Magazine:	Acknowledged and interviewed in 48 issues since 2000.
Phone Plus:	Acknowledged and interviewed in 10 issues since 2002.
Convenience Store Decisions:	Acknowledged and interviewed in both 1997 and 1998.
Convenience Store News:	Acknowledged and interviewed in both 1997 and 1998.
Vending Times:	Acknowledged and interviewed in 1995.

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## **EDUCATION**

### **FLORIDA INTERNATIONAL UNIVERSITY – MIAMI, FL**

B.A., Business, May 1995

A.A., Science, May 1995

**EXHIBIT O**

**Sample Lifeline Certification Form**



# MIDDLE SECTION

To apply for Q Link you may choose ONE of the two options below:

**The program is limited to one benefit per household and only eligible consumers may enroll in the program. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program.**



To qualify you must attach proof of participation in one of the programs listed below.

I hereby certify that I participate in at least ONE of the following public assistance programs (Check all that apply):

- Medicaid (Not the same as Medicare)
- Supplemental Nutrition Assistance Program (Food Stamps)
- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income SSI (Not the same as Social Security Benefits)
- National School Lunch Program's Free Lunch Program
- Low-Income Home Energy Assistance Program (LIHEAP)
- Federal Public Housing Assistance/ Section 8



Qualify by certifying your income is at or below 135% of the Federal Poverty Guidelines.

## HOUSEHOLD INCOME:

Please check household persons and income level that applies. Eligibility may apply if your total household income is at or below the following guidelines.

Persons in Family or Household		Annual Income	Monthly Income
1	<input type="checkbox"/>	\$16,335	\$1,361
2	<input type="checkbox"/>	\$22,065	\$1,839
3	<input type="checkbox"/>	\$27,795	\$2,316
4	<input type="checkbox"/>	\$33,525	\$2,794
5 or More	<input type="checkbox"/>		
For each additional add: \$5,730			

To qualify by income you must attach proof of income. Submit your most current statement from sources below:

- Prior year's State or Federal income tax return
  - Three consecutive months of your most current pay stubs
  - Workers Compensation/Unemployment benefits
  - Child support document or divorce decree
  - Retirement/Pension benefits statement
  - Social Security/Veterans Administration benefits statement
- (Documentation You Submit Will Not Be Returned)**

Total monthly household income  Number of people receiving income   
 Total yearly household income  Number of children under age of 18

# BOTTOM SECTION

**PENALTY OF PERJURY:** Under title 18 U.S.C. § 1621, whoever willfully states as true any material matter which he does not believe to be true in a statement under penalty of perjury, is guilty of perjury and shall, except as otherwise expressly provided by law, be fined or imprisoned not more than five years, or both.

**I certify, under penalty of perjury: (Initial by Each Certification)**

- \_\_\_\_\_ (1) The information contained in my application remains true and correct to the best of my knowledge and I acknowledge that willfully providing false or fraudulent information to receive Lifeline benefits is punishable by law and may result in me being barred from the program.
- \_\_\_\_\_ (2) I am a current recipient of the program checked above, or have an annual household income at or below 135 percent of the Federal Poverty Guidelines.
- \_\_\_\_\_ (3) I have provided documentation of eligibility if required to do so.
- \_\_\_\_\_ (4) I understand that I and my household can only have one Lifeline-supported telephone service. Q Link Wireless has explained the one-per household requirement. I understand that violation of the one-per-household requirement constitutes a violation of the FCC's rules and will result in my de-enrollment from the Lifeline program, and could result in criminal prosecution by the US Government.
- \_\_\_\_\_ (5) I attest to the best of my knowledge, that I and no one in my household is receiving a Lifeline service from any other land line or wireless company such as Safelink, Assurance, or Reachout Wireless.
- \_\_\_\_\_ (6) I understand my Q Link Wireless Lifeline service is a non-transferable. I may not transfer my service to any individual, including another eligible low-income consumer.
- \_\_\_\_\_ (7) I understand that if my service goes unused for sixty (60) days, my service will be suspended, subject to a thirty (30) day period which I may use the service or contact Q Link Wireless to confirm that I want to continue receiving their service.
- \_\_\_\_\_ (8) I will notify Q Link Wireless within thirty (30) days if I no longer qualify for Lifeline. I understand this requirement and may be subject to penalties if I fail to notify Q Link Wireless if:
  - (1) I cease to participate in the above federal or state program, or my annual household income exceeds 135% FPG.
  - (2) My household is receiving more than one Lifeline supported device.
  - (3) I no longer satisfy the criteria for receiving Lifeline support.
- \_\_\_\_\_ (9) I will notify Q Link Wireless within thirty (30) days of moving. Additionally, if my address listed above is a temporary address, I understand that I must verify my address with Q Link Wireless every ninety (90) days. If I fail to respond to Q Link Wireless' address verification attempts within thirty (30) days, my Q Link Wireless Lifeline service may be terminated.
- \_\_\_\_\_ (10) Q Link Wireless has explained that I'm required each year to re-certify my eligibility for Lifeline. If I fail to do so within thirty (30) days, it will result in the termination of my Q Link Wireless service.
- \_\_\_\_\_ (11) I authorize and understand that the Q Link Wireless may provide to state and Federal agencies, as required by law, for the purposes of complying with the Lifeline program all the information related to my account including but not limited to my name, date of birth, social security, usage history, address and phone number.
- \_\_\_\_\_ (12) I understand that my name, telephone number, date of birth, last four digits of my social security number, and address will be divulged to the Universal Service Administrative Company (USAC) and/or its agents for the purpose of verifying that I do not receive more than one Lifeline subsidy.
- \_\_\_\_\_ (13) I understand that if USAC identifies I am receiving more than one Lifeline subsidy, all carriers involved may be notified so that I may select one service and be de-enrolled from the other.

**PRIVACY LAW**

I authorize Q Link Wireless or its duly appointed representative to: (1) access any records required to verify my statements herein; (2) to confirm my continued eligibility for Lifeline assistance; (3) to update my address to a proper mailing address format; and (4) authorize social service agency representatives to discuss with and/or provide information to Q Link Wireless verifying my participation in benefit programs that qualify me for Lifeline assistance. I understand that completion of this form does not constitute immediate approval for Lifeline.

Please check this box if you would like to receive pre-recorded special offers and promotions for Q Link Customers at the Home Telephone number provided in the Contact Information.

Applicant Signature \_\_\_\_\_

Date \_\_\_\_\_



Mail application to: Q Link Wireless LLC  
499 East Sheridan Street Suite 300  
Dania Beach, FL 33004

Fax application to: 1-855-83QLINK (855-837-5465)  
For questions please call 1-855-QLINK43 (855-754-6543)

**Exhibit P**

**Sample Advertisements**



GET YOUR **FREE CELL PHONE** NOW!

Need a **FREE** Cell Phone?

Plus Free  
Minutes Every  
Month



Did You Know Q Link Wireless Provides **FREE** Cell Phones for income eligible individuals? You may qualify if you participate in programs such as Food Stamps or Medicaid or your income is below 135% of the Federal Poverty Guidelines.

See If You Qualify! ▶

- ▶ No Contracts
- ▶ No Monthly Bills Ever!
- ▶ No Credit Checks!

**Get Yours Now!**

Lifeline support is limited to one per household on wireline or wireless service. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Proof of participation in eligible programs/annual household income required for enrollment.

Q Link Wireless is a provider of the Government's Lifeline program. Visit our terms at <http://qlinkwireless.com/terms.aspx> for more info. Call 1-855-QLINK43 or visit <http://qlinkwireless.com> to see if you are eligible.



# FREE CELL PHONES FROM Q LINK WIRELESS

**NO FEES!**



**PAY NOTHING!**



**NO CONTRACTS!**



## You May Qualify If:

You currently receive Medicaid, Food Stamps or other government assistance or if your household income is 135% of the Federal Poverty Guidelines.

## Get Your Free Phone

Discover if you are eligible for a free cell phone and free monthly minutes from Q Link Wireless provided through the Government's Lifeline support program.

[www.QlinkWireless.com](http://www.QlinkWireless.com)  
Call 1-855-QLINK43

## Includes:

- ✓ **Texting**
- ✓ **National Long Distance**
- ✓ **Local Calls**
- ✓ **Voice Mail**

**250**

FREE Minutes  
Every Month!



**Lifeline support is limited to one per household on wireline or wireless service. Consumers who willfully make false statements in order to obtain the benefit can be punished by fine or imprisonment or can be barred from the program. Proof of participation in eligible programs/annual household income required for enrollment.**

Q Link Wireless provides FREE cell phone service and FREE Monthly Minutes through the Government's Lifeline program to qualifying families and individuals. Visit [www.qlinkwireless.com](http://www.qlinkwireless.com) or call 1-855-QLINK43 to see if you qualify.

## **Exhibit Q**

### **Lifeline Terms and Conditions**

## Q LINK WIRELESS™ Terms and Conditions of Service

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Please read these Q LINK WIRELESS LLC Terms and Conditions of Service carefully. These Q LINK WIRELESS LLC Terms and Conditions of Service are a legally binding agreement between you and Q LINK WIRELESS LLC. They contain important information about your legal rights and require that certain disputes be resolved through Arbitration instead of a court trial. Q LINK WIRELESS LLC reserves the right to change or modify any of these Q LINK WIRELESS LLC Terms and Conditions of Service at any time and at its sole discretion. Any changes or modifications to these Q LINK WIRELESS LLC Terms and Conditions of Service will be binding upon you once posted on the Q LINK WIRELESS LLC website on our website. You should check the Q LINK WIRELESS LLC website regularly for updates to these terms.

By enrolling in the Q LINK WIRELESS Program (the “Q LINK WIRELESS Program” or “Q LINK Program”) and by using the Q LINK WIRELESS service (the “Q LINK WIRELESS Service” or “Q LINK Service”), you (“You”), the participant, acknowledge and agree to the following terms and conditions:

### 1. Q LINK WIRELESS PROGRAM DESCRIPTION.

Q LINK WIRELESS Service is funded by the Universal Service Fund Lifeline program and administered by the Universal Service Administrative Company. In order to qualify for enrollment in the Q LINK WIRELESS Program, a person must meet certain eligibility requirements set by each state where the Q LINK Program is offered. These requirements are based on a person's participation in a state or federal support program(s) or by meeting certain income requirements based upon the Income Poverty Guidelines as defined by the US Government. Federal law limits the availability of the Q LINK Program. The Q LINK Program allows **one (1)** enrollment per “household”. The Q LINK Program permits only one Lifeline benefit per household, therefore, no person currently living in the household may receive Lifeline benefits from any other Lifeline program. Applicants for the Q LINK Program must complete an application form, provide supporting documentation that they meet the eligibility requirements and certify, under penalty of perjury, that they:

- Are eligible for and currently receive benefits from the public assistance program(s) identified in the application form.
- Do not currently receive Lifeline support for a telephone line serving their residential address and no other resident in their household participates in the Lifeline program. If the applicant is already participating in another Lifeline program, then the applicant agrees to cancel their current household Lifeline support provider in order to enroll in the Q LINK Program.
- Will notify Q LINK WIRELESS by calling 1-855-QLINK43 (1-855-754-6543) - if and when they no longer qualify for any of the public assistance programs identified in their application form.
- Will notify Q LINK WIRELESS of any change of address by calling 1-855-QLINK43 (1-855-754-6543).
- Reviewed the information contained in their application and it is true and correct to the best of their knowledge and belief. Applicants who qualify and are enrolled in the Q LINK Program will receive a free cellular phone provided by Q LINK WIRELESS together with a free allotment of minutes each month for up to one year. Q LINK WIRELESS will determine at its sole discretion whether an applicant meets the eligibility requirements to participate in the Q LINK Program. The monthly minutes provided by the Q LINK Program will vary from state to state. Please call Q LINK WIRELESS at 1-855-QLINK43 (1-855-754-6543) or visit our website for further information.

Applicants who do not meet the eligibility requirements will receive written notification, via US Mail, of the reason for their non-eligibility. Upon enrollment in the Q LINK Program, you will be qualified to participate for up to one (1) year. To continue your enrollment in the Q LINK Program after the initial year, you must verify annually that you are qualified for continued enrollment in the Q LINK Program as required by your state Public Service Commission, Public Utility Commission or other agency administering the Q LINK Program in your state. Q LINK WIRELESS will also conduct verification drives for each state according to its rules. If Q LINK WIRELESS determines during its verification drive, or at any other time, that a customer fails to continue to qualify for the Q LINK Program, such customer will immediately be deemed ineligible to participate in the Q LINK Program, will be de-enrolled from the Q LINK Program and will no

longer receive the free monthly minutes. Q LINK Customers who are no longer eligible (for any reason) for enrollment in the Q LINK Program must immediately notify Q LINK WIRELESS that they no longer meet the eligibility requirements for enrollment. A Q LINK customer's enrollment may also be cancelled upon the request of a state and/or federal authority.

Q LINK WIRELESS reserve the right to cancel the enrollment of any customer and/or permanently deactivate any customer's Q LINK WIRELESS phone for fraud, misrepresentation or other misconduct as determined solely by Q LINK WIRELESS. While participating in the Q LINK Program, a customer shall not be permitted to sell, rent, give away or in any way allow another person to use the cellular phone or Q LINK Service provided to him/her by Q LINK WIRELESS. IT IS A VIOLATION OF FEDERAL AND STATE LAW TO SELL OR GIVE AWAY THE Q LINK CELLULAR PHONE OR Q LINK SERVICE PROVIDED TO YOU BY Q LINK WIRELESS. Any violation of this prohibition will be reported to the appropriate legal authorities for prosecution. In addition, if Q LINK determines, in its sole discretion, that a Q LINK WIRELESS customer has violated these prohibitions, Q LINK WIRELESS will then permanently de-enroll the customer from the Q LINK Program, their phone will be permanently deactivated and the customer's personal information will be permanently flagged so that the customer may not re-enroll in the Q LINK Program in the future. If you have any questions, concerns, comments or complaints regarding the Q LINK Program or Service, offerings or products, please call Q LINK WIRELESS Customer Care at 1-855-QLINK43 (1-855-754-6543). You may also contact your state's Public Service Commission/Public Utility Commission.

**2. ACTIVATION AND USE OF YOUR Q LINK WIRELESS PHONE.**

Upon enrollment in the Q LINK Program, you will receive a pre-activated Q LINK WIRELESS phone delivered to your home address noted in the application. You must accept the Q LINK WIRELESS telephone number assigned to your Q LINK WIRELESS phone at the time of activation and you will acquire no proprietary interest in any number assigned to you. The WIRELESS telecommunications networks used to transmit calls for the Q LINK WIRELESS Service are owned and operated by various licensed commercial mobile radio service providers ("Carriers"). The number assigned to your Q LINK WIRELESS phone at the time of activation will not be changed for any reason unless required by a Carrier or if the number is lost following the deactivation of your phone. You may not select a number to be assigned to your Q LINK WIRELESS phone. Your Q LINK WIRELESS phone can only be used through Q LINK WIRELESS, and cannot be activated with any other WIRELESS or cellular service. Q LINK WIRELESS Services are provided at Q LINK WIRELESS' discretion. Some functions and features referenced in the Manufacturer's manual provided with your Q LINK WIRELESS phone may not be available on your Q LINK WIRELESS handset. Q LINK WIRELESS may modify or cancel any Q LINK Service or take corrective action at any time without prior notice and for any reason, including but not limited to your violation of these terms and conditions of service.

**3. MINUTE RATES, USAGE AND INCLUDED MONTHLY MINUTES.**

While you are enrolled in the Q LINK Program, you will receive a free monthly allotment of minutes as provided for the Q LINK Program approved in your state and the minute Plan that you select. Q LINK WIRELESS Minute is issued in minute (or unit) increments. Units are deducted from the Q LINK WIRELESS phone at a rate of one (1) unit per minute or partial minute of use. There is no additional charge for nationwide long distance. If you are on Plan 1, there is no additional charge for international long distance to countries designated on our website. Q LINK offers three plans that are currently available to all new and existing Q LINK customers. Each plan offers different benefits, features and carryover options. The three Plans that are currently available are:

	<b>Free Monthly minutes Included in Plan</b>	<b>Unused minutes Carryover Each Month</b>	<b>Text Message Charge*</b>	<b>Free International Long Distance</b>	<b>Voicemail Caller ID Call Waiting</b>
<b>Plan 1</b>	68 in all states	Yes	3 Texts/1 Minute	Yes	Yes
<b>Plan 2</b>	125	Yes	1 Text/1 Minute	No	Yes

<b>Plan 3</b>	250	No**	1 Text/1 Minute	No	Yes
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\*These text-messaging rates will apply even if a different text-messaging rate is stated on minute cards.

\*\*With Plan 3, your phone will reset to 250 minutes each month when your monthly minutes are delivered. Unused minutes will not automatically carry over to the next month. You may carry over unused minutes on this plan for up to three consecutive months if you purchase and add minutes from a Q LINK Minute Card. By purchasing and adding a Q LINK Minute Card your unused minutes (including your free monthly allotment and any additional Q LINK Minute Cards) will carry over for three consecutive months from the date of your last Q LINK Minute Card redemption. Adding more than one Minute Card at the same time will NOT extend your minute carry over for more than the three consecutive months. The 3 month carry over is effective from the date of redemption of the last Minute Card redeemed to your phone.

New Q LINK customers must choose a plan upon enrollment. Existing Q LINK customers who wish to switch plans may do so online or by calling 1-855-QLINK43 (1-855-754-6543). If you switch plans before the 25th day of any given month, the change will be effective the following month. If you switch plans on or after the 25th day of the month, the change will be effective in the second month following your request to switch plans. You may use your free monthly allotment of minutes to place or receive calls, to send or read text messages or multi-media messages and to access the internet (with certain models of phones). In order to receive your monthly allotment of minutes, you will need to leave your Q LINK WIRELESS phone powered "ON" during the first few days of each month. If you DO NOT receive your monthly allotment of minutes because your phone was not "ON" at the beginning of the month or your phone does not automatically retrieve minutes when powered "ON" you may self-retrieve by following the instructions below. If for any reason these instructions do not work on your handset, please call us.

Minutes will be deducted for all time during which your Q LINK WIRELESS phone is connected to, or using, the wireless system of any Carrier. Use of a wireless system typically begins when you press the "send," "call" or other key to initiate or answer a call and does not end until you press the "end" key or the call is otherwise terminated. Minutes are deducted for all incoming and outgoing calls, including incoming call waiting calls, simultaneous calls, calls to toll free numbers, 411, 611, Customer Care, and to access your voice mail. For simultaneous calls, such as incoming call waiting and 3-way calling (where available) minutes will be deducted for each call. Minutes are **not** deducted for calls to 911, and all handsets will be able to call 911 even if they have no minutes remaining. Customers in the State of Washington will not be charged for calls to Customer Care if they dial 611 directly from their handset. For outbound calls, you may be charged Minutes for incomplete and/or busy-no answer calls. Minutes will be deducted for use of other services such as text messaging and accessing the Q LINK WIRELESS Mobile Web ("WAP"). No credit or refund is given for dropped calls.

#### **4. TEXT MESSAGING.**

You may use your free monthly allotment of minutes to send and/or open text messages. Text messages sent to you by Q LINK WIRELESS are free of charge. The charge to send or open an incoming text message using your Q LINK WIRELESS phone will vary depending upon your plan. Under Plan 1, you will be charged 0.3 minute per text message for sending and 0.3 minute per text message for opening a received text message. Under Plans 2 and 3, you will be charged 1 minute per text message for sending and 1 minute per text message for opening a received text message. If you have exhausted your free monthly allotment of minutes, you will need to purchase and redeem additional minutes in order to continue to send text messages and open incoming text messages and to place and receive voice calls. If you do not want minutes deducted from your Q LINK WIRELESS phone for text messaging, then do not send text messages or open incoming text messages. Q LINK WIRELESS does not allow international text messages. Attempting to send international messages could result in service deactivation and de-enrollment from the Q LINK Program. Please note that Q LINK WIRELESS does not generally participate in Premium SMS services or campaigns. Premium SMS campaigns include activities such as casting a vote, expressing your opinion, playing a game, subscribing to a service, or interactive television programs. You should not attempt to participate in Premium SMS campaigns unless it is a Q LINK WIRELESS authorized campaign. Any text message you send to a "short code" will in all likelihood not go

through. Any charges you may incur because of any attempts to participate in Premium SMS services or campaigns not authorized by Q LINK WIRELESS are not refundable whether you incur charges as deductions from your Q LINK WIRELESS phone or from your credit card. You may purchase from Q LINK WIRELESS ring tones, graphics and certain information services. You may utilize multi-media services with certain Q LINK WIRELESS models of phones. See Q LINK WIRELESS Data Services below for more information.

**5. INTERNATIONAL CALLING.**

International calling is available. If you selected an International Plan, You may use your Q LINK WIRELESS phone to make international calls to landlines and some cellular phones in some countries at no additional charge (see website for available countries and details). The countries where international calling is available are subject to change at any time without prior notice. In order to place an international call, you will need to dial the International Long Distance (“ILD”) access number and follow the instructions. Minute deductions for international calls begin the moment the ILD access number is dialed and apply to dropped calls, misdialed numbers and busy destination numbers. When placing international calls, you may experience connection failures more frequently than calls made within the United States. Q LINK WIRELESS will not credit minutes deducted for unsuccessful calls. You will not be able to make or receive calls on your Q LINK WIRELESS phone when you are located outside of the United States, Puerto Rico or the U.S. Virgin Islands (the “Coverage Area”). Any attempt to make or receive calls when you are located outside of the Coverage Area could result in service deactivation and de-enrollment from the Q LINK Program.

**6. MINUTE CARDS.**

Your Q LINK WIRELESS phone will only operate when you have minutes available on the Q LINK WIRELESS phone. If you run out of your free monthly allotment of airtime, you may purchase and add additional Minute to your phone. See the instructions above for adding airtime. Q LINK WIRELESS customers may purchase and use any Q LINK WIRELESS Minute cards, including unlimited minutes for a specified time period Minute cards, for their Q LINK WIRELESS phone. Each Q LINK WIRELESS Minute card includes a set number of minutes and service days that begin to run from the date you add the Minutes to your Q LINK WIRELESS phone. Bonus and promotional minutes will not increase with any Q LINK WIRELESS Unlimited Minute cards. Q LINK reserves the right to modify, adjust and/or eliminate the extra Bonus minutes at any time in its discretion. Q LINK customers may purchase Minutes at the rate of 10¢ or less per unit. Q LINK reserves the right to adjust its Minute rates at any time in its sole discretion. For each Q LINK WIRELESS airtime, card or PIN purchased at our regular price and added to a Q LINK phone, the Q LINK customer will receive the following:

Minutes on Face of Q Link Card	Service Days	Price of Card	Rate Per Minute
50	30	\$9.99	.20
120	30	\$19.99	.17
200	30	\$29.99	.15
450	30	\$59.99	.13
One WEEK UNLIMITED Service Card	7	\$15.99	N/A
Two WEEK UNLIMITED Service Card	14	\$25.99	N/A

## **7. SERVICE END DATE, DEACTIVATION AND REACTIVATION.**

As a Q LINK WIRELESS customer, you will receive 365 service days upon your enrollment and activation in the Q LINK Program and another 365 service days following each successful annual verification for your continued program eligibility in the Q LINK Program. If you fail to complete your annual verification within 90 days of the required verification date, you will be de-enrolled from the Q LINK Program. Upon de-enrollment from the Q LINK Program, you will cease receiving the free monthly allotment of airtime. If you are de-enrolled, your phone will remain active and you may continue to use your phone so long as you have available minutes and service days remaining on your phone. You may purchase Minute and service days to keep your phone service active. If you are de-enrolled from the Q LINK Program and you allow your remaining service days to expire or go "past due," your phone service will be deactivated, you may lose your unused minutes **and you will lose your wireless telephone number. If you choose to reactivate your phone by completing the annual verification within 60 days after your verification due date, you will be re-enrolled in the program and continue receiving the free monthly allotment of airtime.**

If your service is deactivated, you may reactivate your service by either re-enrolling in the Q LINK Program (if eligible) or purchasing and redeeming a Q LINK WIRELESS Minute card with service days. Upon reactivation of your phone, you may be assigned a new telephone number. Any minutes remaining on your handset at the time of deactivation will be reinstated if your phone is reactivated within 60 days from the deactivation date. If your phone remains inactive for more than 60 days, you will lose any remaining airtime. If you have been de-enrolled from the Q LINK Program and are not eligible to re-enroll but you wish to keep your service active, you must purchase and redeem additional Minute and service days before the "Service End Date" displayed on your phone. To prevent any interruption in your phone service, please keep your handset service active by timely completing your annual verification as required by the Q LINK Program or, if no longer eligible, by purchasing and adding Q LINK Minute cards before your Service End Date.

**"No Usage" De-Enrollment and Deactivation:** Regardless of the Service End Date displayed on your handset, if you exceed 2 months without any Usage (as defined in this section), you will be de-enrolled from the Q LINK Program. "Usage" is defined as any transaction including, but not limited to, making or receiving a call, sending or opening a text message, downloading data content, adding Minutes or receiving your free monthly airtime. Upon de-enrollment for non-Usage, you will have up to a 30-day grace period to reenroll in the Q LINK Program by calling 1-855-QLINK43 (1-855-754-6543). If you do not re-enroll, use your phone or call Q LINK Customer Care within 30 days of your de-enrollment, your phone service will be deactivated. In order to reactivate your Q LINK phone and re-enroll in the Q LINK Program, you will need to call Q LINK Customer Care. Upon successful re-enrollment, you will receive the monthly minutes that you were entitled to receive through the date your enrollment was cancelled. You will not, however, receive any minutes for the period of time you were not enrolled in the Q LINK Program. In addition, you will be assigned the service days displayed on your handset, which are the days you were granted when first enrolled in the program.

## **8. OUR RIGHT TO TERMINATE YOUR Q LINK WIRELESS SERVICE.**

You agree not to give away, resell or offer to resell the Q LINK Phone or Service provided by the Q LINK Program. You also agree your Q LINK Phone will not be used for any other purpose that is not allowed by this agreement or that is illegal. WE CAN, WITHOUT NOTICE, LIMIT, SUSPEND, OR END YOUR SERVICE AND DE-ENROLL YOU FROM THE Q LINK PROGRAM FOR VIOLATING THIS PROVISION OR FOR ANY OTHER GOOD CAUSE, including, but not limited to, if you: (a) violate any of the terms and conditions of service; (b) lie to us or attempt to defraud us; (c) allow anyone to tamper with your Q LINK Phone; (d) threaten or commit violence against any of our employees or customer service representatives; (e) use vulgar and/or inappropriate language when interacting with our representatives; (f) steal from us; (g) harass our representatives; (h) interfere with our operations; (i) engage in abusive messaging, emailing or calling; (j) modify your device from its manufacturer's specification; or (k) use the service in a way that adversely affects our network or the service available to our other customers. We reserve the right to, without notice, limit, suspend or end your service for any other operational or

governmental reason. In addition to permanently terminating your Service, criminal offenses (i.e., selling or giving away your Service; threatening violence, etc.) will be reported to the appropriate legal authorities for prosecution.

#### **9. UNAUTHORIZED USAGE; TAMPERING.**

The Q LINK WIRELESS handset is provided exclusively for use by you, the end consumer with the Q LINK WIRELESS Service available solely in the United States, Puerto Rico and the U.S. Virgin Islands. Any other use of your Q LINK WIRELESS handset, including without limitation, any resale, unlocking and/or re-flashing of the handset is unauthorized and constitutes a violation of your agreement with Q LINK WIRELESS. You agree not to unlock, re-flash, tamper with or alter your Q LINK WIRELESS phone or its software, enter unauthorized PIN's, engage in any other unauthorized or illegal use of your Q LINK WIRELESS phone or the Service, or assist others in such acts, or to sell and/or export Q LINK WIRELESS handsets outside of the United States. These acts violate Q LINK WIRELESS' rights and state and federal laws. Improper, illegal or unauthorized use of your Q LINK WIRELESS phone is a violation of this agreement and may result in immediate discontinuance of Services and legal action against you. Q LINK WIRELESS will prosecute violators fully of the law. You agree that any violation of this agreement through your improper, illegal or unauthorized use or sale of your Q LINK WIRELESS phone shall entitle Q LINK WIRELESS to recover liquidated damages from you in an amount of not less than \$5,000 per Q LINK WIRELESS handset purchased, sold, acquired or used in violation of this agreement.

Some Q LINK WIRELESS handsets have SIM cards. If your Q LINK WIRELESS phone has a SIM card, then you agree to safeguard your SIM card and not to allow any unauthorized person to use your SIM card. You agree not to allow any other person to, directly or indirectly alter, bypass, copy, deactivate, remove, reverse-engineer or otherwise circumvent or reproduce the encoded information stored on, or the encryption mechanisms of, your SIM card. You may not remove your SIM Card from your phone nor place the SIM Card in any other phone. Doing so could result in the immediate termination of your service and de-enrollment from the Q LINK Program. The Carriers, Q LINK WIRELESS, or its service providers, may, from time to time, remotely update or change the encoded information on your SIM card. Your Q LINK WIRELESS phone is restricted from operating when you are located anywhere outside of the United States, Puerto Rico or the U.S. Virgin Islands, including offshore or in international waters. In the event of suspension for this or any other unauthorized usage, you will not be entitled to receive any refunds for unused airtime.

#### **10. COVERAGE MAPS AND ROAMING.**

You will find coverage maps on our website. These maps are for general informational purposes only. Actual coverage and service areas may vary from the maps and may change without notice. Q LINK WIRELESS does not guarantee coverage or service availability. Even within a coverage area, factors such as terrain, weather, structures, foliage, signal strength, traffic volumes, service outages, network changes, technical limitations, and your equipment may interfere with actual service, quality and availability. "Roaming" occurs when a subscriber of one wireless service provider uses the facilities of another wireless service provider. Roaming most often occurs when you make and receive calls outside of the network coverage area of your service provider. When your Q LINK WIRELESS phone is roaming, an indicator light on your handset may display the word "Roam" or "RM" on the screen while the phone is not in use. There are no additional charges for domestic roaming calls for the Q LINK WIRELESS phone you were provided. Availability, quality of coverage and Services while roaming are not guaranteed.

#### **11. LIMITATIONS OF SERVICE AND USE OF EQUIPMENT.**

Service is subject to transmission limitations caused by certain equipment and compatibility issues, atmospheric, topographical and other conditions. Further, service may be temporarily refused, limited, interrupted or curtailed due to system capacity limitations, technology migration or limitations imposed by the Carrier, or because of equipment modifications, upgrades, repairs or relocations or other similar activities necessary or proper for the operation or improvement of the Carrier's radio telephone system. At any time, Q LINK WIRELESS reserves the right to substitute and/or replace any Q LINK WIRELESS equipment (including handsets) with other Q LINK WIRELESS equipment including handsets of comparable quality. Some functions and features referenced in the Manufacturer's manual for a particular

Q LINK WIRELESS handset may not be available on your phone. Q LINK WIRELESS does not warrant or guarantee availability of network or of any Services at any specific time or geographic location or that the Services will be provided without interruption. Neither Q LINK WIRELESS, nor any Carrier, shall have any liability for service failures, outages or limitations of Service. Because of the risk of being struck by lightning, you should not use your Q LINK WIRELESS phone outside during a lightning storm. You should also unplug the Q LINK WIRELESS phone power cord and charger to avoid electrical shock and/or fire during a lightning storm.

#### **12. WARRANTY EXCHANGE AND LOST OR STOLEN PHONE POLICY.**

**Limited Warranty Exchange Policy:** Q LINK WIRELESS customers shall have up to one year from the activation date of their phone to return any defective phone to Q LINK WIRELESS. Q LINK WIRELESS will exchange a defective phone for a new or refurbished phone, at Q LINK s' discretion, during this period only pursuant to the terms of the Limited Warranty set forth below. For a defective phone replacement, call Q LINK WIRELESS Technical Customer Service.

**13. Lost or Stolen Phone Policy:** For any lost or stolen Q LINK WIRELESS phone, you may request and receive only one replacement phone per customer. The replacement phone will be a refurbished phone. All reported lost and stolen phones will be permanently deactivated. The replacement phone will include only 10 minutes of lost airtime. Any additional Minutes that you may have had on your lost phone will not be replaced. In the event you lose your replacement phone or it is stolen, you will need to purchase an additional phone. If a phone is lost or stolen while in transit to the customer before the customer receives the phone, the lost phone and minutes may be replaced as a onetime courtesy in Q LINK's sole discretion.

#### **14. DISCLAIMER OF WARRANTIES.**

EXCEPT FOR THE LIMITED WARRANTY SET FORTH IN THESE TERMS AND CONDITIONS, AND TO THE EXTENT PERMITTED BY LAW, THE SERVICES AND DEVICES ARE PROVIDED ON AN "AS IS" AND "WITH ALL FAULTS" BASIS AND WITHOUT WARRANTIES OF ANY KIND. WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE CONCERNING YOUR SERVICE OR YOUR DEVICE. WE CANNOT PROMISE UNINTERRUPTED OR ERROR-FREE SERVICE AND DO NOT AUTHORIZE ANYONE TO MAKE ANY WARRANTIES ON OUR BEHALF. WE DO NOT GUARANTEE THAT YOUR COMMUNICATIONS WILL BE PRIVATE OR SECURE; IT IS ILLEGAL FOR UNAUTHORIZED PEOPLE TO INTERCEPT YOUR COMMUNICATIONS, BUT SUCH INTERCEPTIONS CAN OCCUR.

#### **15. HEARING, VISUAL OR SPEECH IMPAIRED ACCOMMODATIONS.**

Any hearing, visual or speech impaired persons interested in applying for a specially equipped Q LINK WIRELESS must call Q LINK WIRELESS and specify the need(s) to an agent and Q LINK WIRELESS will make every effort to assist such customer in obtaining a handset that is in compliance with all applicable laws, rules, and regulations.

#### **16. EMERGENCY CALLS.**

Q LINK WIRELESS customers have access to 911. Occasionally, however, callers may attempt to call 911 in areas where there is no wireless coverage. If there is no wireless coverage, your call to 911 may not go through and you should dial 911 from the nearest landline phone.

#### **17. DATA SERVICES.**

With certain Q LINK WIRELESS phone models, you can download ring tones, graphics, access information services such as news, weather and sports ("Information Services") and utilize multi-media messaging services ("MMS") (ringtones, graphics, Information Services and MMS are collectively referred to as "Data Services") through our wireless Mobile Web ("WAP"). Data Services are additional Services offered by us at an additional charge in the form of a debit of minutes for your use of such services.

**Accessing and Purchasing Data Services.** In order to purchase, download or access Data Services,

your handset must have active service and sufficient available Minutes. Your handset will not let you open the WAP browser without a remaining minute balance of at least 10 minutes. Each time you access our wireless WAP with your handset's browser, 0.5 units per minute will be deducted from your handset ("Access Charges"). Access Charges are deducted in full minute increments. WAP access of less than 60 seconds is rounded up to the next full minute. Access Charges begin when your handset makes a data connection. This should occur shortly after you open your browser, send or receive a multi-media message (e.g., a picture), initiate a content download, view subscribed Information Services or if WAP access is initiated for any other purpose. Access Charges end when the data connection terminates. This should occur shortly after you close your browser, successfully receive or send a multi-media message (e.g., a picture), after a successful content download or after any other closure of a WAP session. The WAP access duration and the related Access Charges are NOT determined from the exact moment you press a button on your handset to open or close the browser.

In addition to the Access Charges, there will be an additional one-time charge for any content you select to download ("Content Charge"). The Content Charges vary depending on the type of content. You will be advised of the Content Charges prior to finalizing your purchase. The Data Services you purchase and download may only be used or viewed on the handset for which they were purchased and cannot be transferred to any other device, including a new or replacement handset.

**Modifications, Interruptions, or Discontinuation of Data Service.** Q LINK WIRELESS does not guarantee the availability of Data Services on all of its phone models nor does it guarantee the availability of Data Services at all times. Q LINK WIRELESS reserves the right to modify, suspend, interrupt, discontinue or permanently cancel Data Services, or portions thereof, without notice. Data Services are not available in certain areas. Q LINK WIRELESS is not responsible and will not be liable for any modifications, interruptions or discontinuation of the Data Services or for any failure in receipt of the purchased Data Services. If the Data Services, or any part thereof, for which you subscribe, are modified, interrupted, discontinued or canceled, you will not receive a refund or credit from Q LINK WIRELESS for any remaining used or unused subscription time. If you cancel or attempt to cancel a Data Service download, a subscription purchase or a multi-media message in progress, or if this process is otherwise interrupted through no action on your part, you may nevertheless be charged in accordance with the terms and conditions set forth herein.

**18. LIMITATION OF LIABILITY.** Q LINK and Q LINK WIRELESS are not liable to you for any direct or indirect, special, incidental, consequential, exemplary or punitive damages of any kind, including lost profits (regardless of whether it has been notified such loss may occur) by reason of any act or omission in its provision of equipment and/or Services. Q LINK and Q LINK WIRELESS will not be liable for any act or omission of any other company furnishing a part of our Services or any equipment or for any damages that result from any service or equipment provided by or manufactured by third parties. When your Q LINK WIRELESS phone is returned to Q LINK WIRELESS for any reason, Q LINK WIRELESS is not responsible and shall not be liable to you or anyone else for any personal information such as user names, passwords, contacts, pictures, SMS, MMS and/or additional downloads you may have stored on your phone or which may remain on your phone.

**19. INDEMINIFICATION.**

You agree to indemnify and hold harmless Q LINK WIRELESS and All Affiliated or related companies from any and all liabilities, penalties, claims, causes of action, and demands brought by third parties (including the costs, expenses, and attorneys' fees on account thereof) resulting from your use of a Q LINK WIRELESS phone and/or use of the Q LINK WIRELESS Services, whether based in contract or tort (including strict liability) and regardless of the form of action.

**20. BINDING ARBITRATION. PLEASE READ THIS SECTION CAREFULLY AS IT AFFECTS RIGHTS THAT YOU MAY OTHERWISE HAVE. IT PROVIDES FOR RESOLUTION OF ALL DISPUTES AND CLAIMS (INCLUDING ONES THAT ALREADY ARE THE SUBJECT OF LITIGATION), EXCEPT FOR CLAIMS CONCERNING THE UNAUTHORIZED RESALE, EXPORT, ALTERATION, AND/OR**

**TAMPERING OF YOUR Q LINK WIRELESS PHONE, ITS SOFTWARE, THE SERVICE AND/OR PIN NUMBERS, THROUGH ARBITRATION INSTEAD OF SUING IN COURT IN THE EVENT THE PARTIES ARE UNABLE TO RESOLVE A DISPUTE OR CLAIM. ARBITRATION IS BINDING AND SUBJECT TO ONLY A VERY LIMITED REVIEW BY A COURT. THIS ARBITRATION CLAUSE SHALL SURVIVE TERMINATION OF Q LINK WIRELESS™ AGREEMENT WITH YOU.**

This provision is intended to encompass all disputes or claims arising out of your relationship with Q LINK WIRELESS, arising out of or relating to the Q LINK Service or any equipment used in connection with the Q LINK Service (whether based in contract, tort, statute, fraud, misrepresentation or any other legal theory). Nothing contained in this arbitration provision shall preclude Q LINK WIRELESS from bringing claims concerning the unauthorized resale, export, alteration, and/or tampering of your Q LINK WIRELESS phone, its software, the Q LINK Service and/or PIN numbers, in state or federal court. References to you and Q LINK WIRELESS include our respective subsidiaries, affiliates, predecessors in interest, successors, and assigns. All claims, except those excluded above, will be resolved by binding arbitration where permitted by law. You must first present any claim or dispute to Q LINK WIRELESS by contacting Customer Care to allow an opportunity to resolve the dispute prior to initiating arbitration. The arbitration of any dispute or claim shall be conducted in accordance with the American Arbitration Association ("AAA") under the Commercial Dispute Resolution Procedures and the Supplementary Procedures for Consumer Related Disputes (collectively, "AAA Rules"), as modified by this agreement. You and Q LINK WIRELESS agree that use of the Q LINK Service evidences a transaction in interstate commerce and this arbitration provision will be interpreted and enforced in accordance with the Federal Arbitration Act and federal arbitration law. All issues are for the arbitrator to decide, including the scope of this arbitration clause, but the arbitrator is bound by the terms of this agreement. You and Q LINK WIRELESS agree that any arbitration will be conducted on an individual basis and not on a consolidated, class wide or representative basis. Further, you agree that the arbitrator may not consolidate proceedings or more than one person's claims, and may not otherwise preside over any form of a representative or class proceeding, and if this preclusion of consolidated, class wide or representative proceedings is found to be unenforceable, then this entire arbitration clause shall be null and void. All fees and expenses of arbitration will be divided between you and Q LINK WIRELESS in accordance with the AAA Rules, except that Q LINK WIRELESS will reimburse you for the filing fee in the event you prevail in the arbitration. Each party will bear the expenses of its own counsel, experts, witnesses, and preparation and presentation of evidence. If for any reason this arbitration provision is deemed inapplicable or invalid, or to the extent this arbitration provision allows for litigation of disputes in court, you waive to the fullest extent permitted by law, (i) the right to a trial by jury and (ii) any claims for punitive or exemplary damages. Unless Q LINK WIRELESS and you agree otherwise, the location of any arbitration shall be Dania, Florida. Except where prohibited by law, Q LINK WIRELESS and you agree that no arbitrator has the authority to award punitive damages or any other damages not measured by the prevailing party's actual damages. Neither you nor Q LINK WIRELESS shall disclose the existence, contents, or results of any arbitration, except to the extent required by law. Judgment on the award rendered may be entered by any court of competent jurisdiction.

This Agreement shall be construed under the laws of Florida, without regard to its choice of law rules, except for the arbitration provision contained in these Terms and Conditions, which will be governed by the Federal Arbitration Act. This governing law provision applies no matter where you reside, or where you use or pay for the Services.

**21. PRIVACY POLICY.**

To view the Q LINK WIRELESS Privacy Policy please refer to the Q LINK WIRELESS website.

**22. LIMITED WARRANTY.**

Your Q LINK phone is covered by a one year limited warranty, set forth below, administered by Q LINK. A reconditioned Q LINK phone also has a one year limited warranty provided by Q LINK and all Q LINK accessories have a 90-day limited warranty against defects in materials and workmanship under normal use by the purchaser. You may obtain warranty service directly from Q LINK.

How to obtain Warranty Service. To obtain warranty service from Q LINK on a new or reconditioned

phone or Q LINK accessories, please contact Technical Support from a landline or another phone in order to avoid using up your minutes. If your problem cannot be resolved over the phone, our Q LINK technicians will provide you with a Ticket Number, which you will use to send your phone and/or accessories to the designated Q LINK Service Center for repair or replacement, at Q LINK 's discretion.

Terms of Limited Warranty. Q LINK warrants to you, the Customer, that your Q LINK cellular phone ("Product") is free from defects in material and workmanship that result in Product failure during normal usage, according to the following terms and conditions:

(1) The limited warranty for the Product extends for ninety (90) days beginning on the first date of activation of your phone.

(2) The limited warranty extends only to the original customer ("Consumer") of the Product.

(3) The limited warranty is not assignable or transferable to any subsequent end-user.

(4) During the limited warranty period, Q LINK will replace or repair, at Q LINK's sole option, any defective Products or parts (except as excluded below), or any Products or parts that will not properly operate for their intended use (except as excluded below) with new or refurbished replacement Products or parts if such replacement or repair is needed because of Product malfunction or failure during normal usage. Q LINK may, at its sole discretion, replace the Product with a refurbished phone of the same model if available, or if not available, of a comparable model of phone. The limited warranty does not cover loss of personal information, passwords, contacts, music, ringtones, pictures, videos, applications or other content, memory cards, software, defects in appearance, cosmetic, decorative or structural items, including framing, and any non-operative parts. Q LINK's limit of liability under this limited warranty is the actual cash value of the Product at the time the Consumer returns the Product to Q LINK for repair, determined by the price paid by the Consumer for the Product less a reasonable amount for usage. Q LINK shall not be liable for any other losses or damages. These remedies are the Consumer's exclusive remedies for breach of warranty.

(5) The Consumer shall have no coverage or benefits under this limited warranty if any of the following conditions are applicable:

a) The Product has been subjected to abnormal use, abnormal conditions, improper storage, exposure to moisture or dampness, unauthorized modifications, unauthorized connections, unauthorized repair, misuse, neglect, abuse, accident, alteration, improper installation, or other acts which are not the fault of Q LINK, including damage caused by shipping.

b) The Product has been damaged from external causes such as collision with an object, or from fire, flooding, sand, dirt, windstorm, lightning, earthquake or damage from exposure to weather conditions, an Act of God, or battery leakage, theft, blown fuse, or improper use of any electrical source.

c) Q LINK was not advised in writing by the Consumer of the alleged defect or malfunction of the Product within ten (10) days after the expiration of the applicable limited warranty period.

d) The Product serial number plate or the enhancement data code has been removed, defaced or altered.

e) The defect or damage was caused by the defective function of the cellular system or by inadequate signal reception by the external antenna, or viruses or other software problems introduced into the Product.

f) The Product is outside of the Limited Warranty period.

(6) Q LINK does not warrant uninterrupted or error-free operation of the Product or service. Q LINK cannot and does not guarantee that your communications will be private or secure; it is illegal for unauthorized people to intercept your communications, but such interceptions can occur.

(7) If a problem develops during the limited warranty period, the Consumer shall contact Q LINK Customer Care for repair or replacement processing of the Product. Q LINK shall, at its discretion, provide a replacement product that may consist of a refurbished phone of the same model if available, or of a comparable model.

(8) You (the Consumer) understand that the product may consist of refurbished equipment that contains used components, some of which have been reprocessed. The used components comply with Product performance and reliability specifications.

(9) Q LINK EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE OR USE. THE FOREGOING LIMITED WARRANTY IS THE

CONSUMER'S SOLE AND EXCLUSIVE REMEDY AND IS IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED. Q LINK SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, PUNITIVE OR CONSEQUENTIAL DAMAGES, INCLUDING BUT NOT LIMITED TO LOSS OF ANTICIPATED BENEFITS OR PROFITS, LOSS OF SAVINGS OR REVENUE, LOSS OF DATA, PUNITIVE DAMAGES, LOSS OF USE OF THE PRODUCT OR ANY ASSOCIATED EQUIPMENT, COST OF CAPITAL, COST OF ANY SUBSTITUTE EQUIPMENT OR FACILITIES, DOWNTIME, THE CLAIMS OF ANY THIRD PARTIES, INCLUDING CUSTOMERS, AND INJURY TO PROPERTY, RESULTING FROM THE PURCHASE OR USE OF THE PRODUCT OR ARISING FROM BREACH OF THE WARRANTY, BREACH OF CONTRACT, NEGLIGENCE, STRICT TORT, OR ANY OTHER LEGAL OR EQUITABLE THEORY, EVEN IF Q LINK KNEW OF THE LIKELIHOOD OF SUCH DAMAGES. Q LINK SHALL NOT BE LIABLE FOR DELAY IN RENDERING SERVICE UNDER THE LIMITED WARRANTY, LOSS OF USE DURING THE PERIOD THAT THE PRODUCT IS RETURNED FOR REPLACEMENT OR WARRANTY SERVICE OR FOR THE LOSS OR UNAUTHORIZED USE OF CUSTOMER PASSWORDS, PERSONAL INFORMATION, CONTACTS, PICTURES, VIDEOS, APPLICATIONS, MUSIC, RINGTONES OR OTHER CONTENT.

(10) Some states do not allow the exclusion or limitation of incidental and consequential damages, so certain of the above limitations or exclusions may not apply to you (the Consumer). This limited warranty gives the Consumer specific legal rights and the Consumer may have other rights, which vary from state to state.

(11) Q LINK neither assumes nor authorizes any authorized service center or any other person or entity to assume for it any other obligation or liability beyond that which is expressly provided for in this limited warranty including the provider or seller of any extended warranty or service agreement.

(12) This is the entire warranty between Q LINK and the Consumer, and supersedes all prior and contemporaneous agreements or understandings, oral or written, relating to the Product, and no representation, promise or condition not contained herein shall modify these terms.

(13) This limited warranty allocates the risk of failure of the Product between the Consumer and Q LINK. The allocation is recognized by the Consumer and is reflected in the purchase price.

Certain mobile phone features may not be available throughout the entire network or their functionality may be limited. All plan rates, features, functionality and other product specifications are subject to change without notice or obligation. Color of phones may vary. All talk and standby times are quoted in Digital Mode and are approximate.

Q LINK and Q LINK WIRELESS are registered trademarks of Q LINK WIRELESS, LLC. A subsidiary of Quadrant Holdings Group LLC.

**Exhibit R**

**Projected Lifeline Subscriber Count**

**CONFIDENTIAL, NOT FOR PUBLIC INSPECTION**

**CONFIDENTIAL, NOT FOR PUBLIC INSPECTION**

**By the end of its first year after ETC designation, Q LINK projects the following numbers of Lifeline subscribers in the Non-Jurisdictional states:**

Alabama  
Connecticut  
Delaware  
Florida  
New Hampshire  
New York  
North Carolina  
Tennessee  
Virginia  
District of Columbia

